# FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 29,340 — Thursday June 7 1984 — D 8523 B


**Unemployment: Europe's great fear, Page 19**

## NEWS SUMMARY

### GENERAL

## Angola blow to hopes on Namibia

**An early withdrawal of the 25,000 Cuban troops in Angola is increasingly unlikely because of a serious deterioration in the security situation inside the country, say Western officals.**

Unita guerrillas have significantly expanded their area of operations and Angolan forces backed by Cuban troops have failed to dislodge them in a major offensive in eastern Moxico province.

Western diplomats fear that, as a result, South Africa will not agree to any rapid moves towards its own withdrawal from Namibia (South-West Africa) and independence for the territory. Page 20

### P2 scandal hint

The Italian Government came close to crisis after a prominent member of the Socialist Party implied that Sig Giulio Andreotti, Foreign Minister, was the founder of the P2 masonic lodge. Page 3

### El Salvador rebels

The Reagan Administration has greatly overestimated the number of left-wing guerrillas fighting El Salvador's U.S. backed Government, according to Salvadoran intelligence officers who say guerrilla forces number less than half the top U.S. estimate of 12,000.

### Thatcher inquiry

Margaret Thatcher, UK Prime Minister, ordered an inquiry into how letters from her personal office concerning industrial disputes were leaked to a national newspaper. Page 10

### IG Metall dispute

Leaders of IG Metall, West Germany's engineering union, and industry employers say they can see no end to the dispute which has put nearly 400,000 out of work. Page 3; Lex, Page 20

### Nicaraguan move

Nicaragua has cancelled army leave, saying U.S. is planning large-scale attacks under cover of military manoeuvres in Honduras.

### Israeli blockade

Israeli forces ended their blockade of Lebanon's biggest power station after five days by permitting road tankers to haul fuel to it from a refinery in the Israeli-occupied south.

### Austrian accord

Austrian Finance Minister Herbert Salcher agreed to remain in the Government after reaching compromise with Chancellor Fred Sinowatz over tax reforms. Page 3

### Eli Lilly verdict

A U.S. state county judge has dismissed suits against Eli Lilly and Company filed by 450 UK citizens who alleged they were injured by the company's controversial arthritis drug Oraflex. Page 3

### Philippine peso

The Philippine peso dropped by more than 22 per cent when trading began following the decision to allow the currency to float against the U.S. dollar. Page 6

### Beirut killing

One French ceasefire observer was killed and one wounded by sniper fire on the Beirut "Green Line."

### Vintage price

A jeroboam of 1929 Château Mouton Rothschild was sold at Sotheby's in London for £7,920 ($11,080), a record price for any single bottle of a vintage this century.

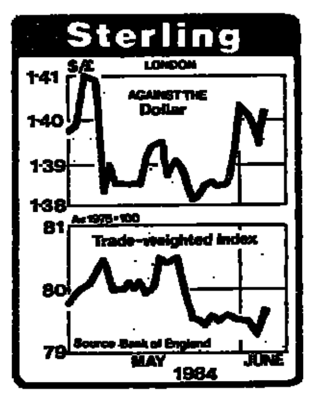
### BUSINESS

## New cash call for Creusot Loire

FRENCH Government asked the Schneider group, which indirectly owns half of Creusot-Loire, to inject FFr 800m ($98m) into the beleaguered engineering concern in addition to the FFr 720m it provided in November.

The Government has warned that unless Schneider can provide further funds, Creusot-Loire's appeal for FFr 2bn-FFr 3bn of fresh capital will be turned down. Page 22

**WALL STREET:** the Dow Jones industrial average closed up 8.95 at 1,138.84. Section III




**STERLING** was firm in London and rose 80 points to $1.4025. It was also higher at DM 3.7525 (DM 3.745), FFr 11.55 (FFr 11.52), SwFr 3.13 (SwFr 3.11) and Y322.25 (Y320.85). The pound's trade weighting index also improved to 79.7 compared with 79.3 previously. Page 45

**DOLLAR** weakened in London to DM 2.677 (DM 2684), FFr 8.255 (FFr 8.26) and SwFr 2.232 (SwFr 2.2325), but improved to Y230.4 (Y230.25) as did the dollar's trade-weighted index to 130.1 from 129.7. Page 45

**GOLD** fell $2 an ounce in London to $392, by $2.25 in Frankfurt to $391.75 and by $3 in Zurich to $391.75. Page 44

**LONDON** shares ended below their best levels but still higher on the day. The FT Industrial Ordinary index added 6.4 to 846.5. Government stocks eased and the FT Gold Mines index added 0.8 to 699.3. Section III

**TOKYO** stock market trading was concentrated in biotechnology based pharmaceuticals and related issues. Nikkei-Dow market average fell 4.56 to 10,254.20. Section III

**OVERSEAS** Private Investment Corporation says the U.S. is considering 34 joint ventures with China in electronics and manufacturing. Page 5

**THE U.S.** threatened to cut back the flow of technology to Spain because some of it has reportedly been finding its way to blacklisted countries. Page 5

**THE INTERNATIONAL** Coffee Organisation executive board said it had agreed measures to boost the availability of coffee, which has soared to its highest price in London for several years.

**MEXICO'S** trade union accepted 20 per cent half yearly minimum wage rise despite 26 per cent jump in consumer prices in five months to May.

**MOTOR IBERICA,** Nissan's Spanish subsidiary showed a loss of Pta 5.77bn ($38.2m) for 1983 compared with a Pta 3.07bn deficit in the year ended October 1982. It has since switched to calendar-year accounts. Page 22

**The editorial content of today's international edition has been restricted because of continuing industrial action by IG Druck und Papier at Frankfurter Societäts-Druckerei, where the edition is printed. This prevents the publication of late-breaking news, the final Wall Street report and closing U.S. over-the-counter and Canadian share prices.**

# Reagan reaffirms commitment to Europe at D-Day ceremony

BY REGINALD DALE, U.S. EDITOR, ON UTAH BEACH, NORMANDY

"WE WERE with you then: we are with you now." With these words, President Ronald Reagan took advantage of yesterday's emotional D-Day ceremonies on the Normandy beaches solemnly to recommit the full power of the U.S. to the defence of Western Europe.

Forty years to the day since nine Allied divisions hit the five beaches in a savagely contested dawn landing, Mr Reagan said that the U.S. had "learned bitter lessons" from two world wars.

"It is better to be here, ready to protect the peace, than to take blind shelter across the sea, rushing to respond only after freedom is lost," he said. "We have learned that isolationism never was and never will be an acceptable response to tyrannical governments with expansionist intent."

As a small flotilla of battle-grey warships stood off Utah Beach, heads of state from seven Allied countries joined in a 50-minute commemorative military ceremony in bright sunshine.

Present were Mr Reagan, Queen Elizabeth, President François Mitterrand, Mr Pierre Trudeau, the Canadian Prime Minister, King Olav of Norway, Queen Beatrix of the Netherlands, King Baudouin of Belgium, Grand Duke Jean of Luxembourg and delegations from Greece, Czechoslovakia and Poland.

As a Lancaster, Spitfire and Hurricane aircraft flew slowly overhead, the French anti-submarine frigate Montcalm fired a 21-gun salute. Seven national anthems were played in succession, troops from seven Allied countries presented colours and the French air patrol Patrouille de France streamed coloured vapour over the gently sloping sandy beach. About 4,000 of the 20,000 veterans who made the pilgrimage to Normandy looked on.

The Germans were, officially at least, controversially unrepresented. One of the few traces of the other great Alliance power, the Soviet Union, was to be found in a hostile passage of Mr Reagan's main address.

"The Soviet troops that came to the centre of this continent did not leave when peace came. They are still there, uninvited, unwanted, unyielding, almost 40 years after the war," he told U.S. veterans gathered at the Pointe du Hoc – site of the most daring cliff-scaling assault in U.S. military history.

The host, M Mitterrand, chose to stress the lessons of what could be achieved by "solidarity among peoples." He drew attention to the long, shadowy struggle of the French Resistance, of which he was a member, in the years of occupation before the invasion – to which Mr Reagan also tactfully paid tribute as a "valiant struggle."

In a gallant gesture to a "redoubtable enemy", M Mitterrand said that the Allies had not been fighting Germany but the "power, system and ideology" of Nazism that had gripped it. He saluted both the German dead and, to the East, the "heroism of the Russian people."

While stressing the need for Allied strength in the face of "tyranny," Mr Reagan nevertheless stretched out a hand of peace towards Moscow. "We try always to be prepared for peace, prepared to deter aggression, prepared to negotiate the reduction of arms – and, yes, prepared to reach out again in the spirit of reconciliation," he said.

With Queen Elizabeth making no formal speeches as she progressed through Caen, Bayeux and the two British beaches, it was left to Mr Reagan to pay tribute to British valour. He told of how Bill Millin of the 51st Highland Division played the bagpipes as he led reinforcements to rescue British troops pinned down near a bridge, "ignoring the smack of bullets into the ground around him."

Lord Lovat, who was with him, calmly announced on reaching the bridge "Sorry, I'm a few minutes late," as if he had been delayed by a traffic jam – when in truth he had just come from the bloody fighting on Sword Beach, which he and his men had just taken, Mr Reagan said.

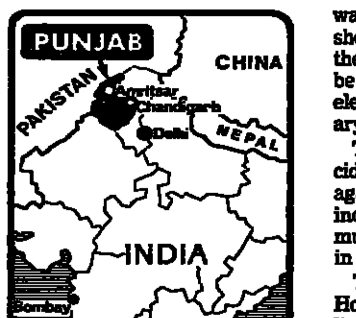

The time for reconciliation, Page 2


# 300 die as troops storm Sikh temple

BY JOHN ELLIOTT IN NEW DELHI

MORE THAN 300 people were killed and 240 injured in anti-tank rocket and machine gun fire yesterday when the Indian army fought its way into the Sikhs' Golden Temple complex at Amritsar and gained control of most of the buildings from heavily armed extremists.

About 450 militants were captured in the action, which the Indian Government hopes will end two years of growing Sikh violence and assassinations in the country's prosperous northern state of Punjab.




The battle finished last night after the surrender of a hard core of armed Sikhs who had been holding out inside the Harminder Sahib, the small Golden Temple – located in the middle of a large artificial lake – which is the holiest building in the Sikh religion.

At midnight, a government spokesman said that all active resistance had stopped within the complex and mopping up operations were in progress. About 20 extremists who had fought to the end from the Harmandir Sahib had surrendered to security forces. They came out waving white flags, the spokesman said.

A second group of extremists was still believed to be hiding in the basement of the Akal Takhat, the second most holy building in the area.

The army also did not know the whereabouts of Sant Jarnail Singh Bhindranwale, the leading Sikh militant and the man the Government most wants to catch of all the terrorists in the area.

The Sikhs had fired rockets and machine guns at troops taking cover in surrounding cloisters and buildings. Sikhs leaving the area reported that the militants might blow up the Temple rather than be captured.

Fierce clashes elsewhere in the Punjab brought the total deaths in the past day and a half to more than 325 and those arrested to over 400. Of the 300 killed in the Golden Temple area, 250 were militants. An army commander said at least 48 soldiers had been killed.

Last night, Sikh protests against the army's action began to build up in New Delhi and other cities. These will escalate if serious damage is done to the Harminder Sahib.

Mrs Indira Gandhi, the Indian Prime Minister, could find her relief at the speed with which the army has dealt with the extremists tinged with concern about a militant backlash.

Assuming the army's operations finish quickly, Mrs Gandhi will also come under strong political pressure to conclude a peaceful settlement with moderate Sikh leaders. These leaders include Sant Harchand Singh Longowal, president of the Sikh's Akali Dal political party, who left the Golden Temple complex peacefully yesterday with supporters as the violence intensified.

Mrs Gandhi said in a nationwide broadcast last weekend, as the army moved into the Punjab, that she was prepared to reach a settlement: she will now have to honour this if the events of the past week are to be a political asset in the general election she must call by next January.

The Government also had to decide how hard to press charges against the arrested militants, who include many Sikhs wanted for murder, which is a capital offence in India.

The Secretary of the New Delhi Home Ministry, Mr Manmohan Wali, said: "We believe the action of the past few days will break the back of the terrorist movement. There may be some more incidents here and there, but, if normality returns to the Punjab, most people will surely welcome this."

The state of Punjab is still cut off from the rest of India, although the curfew imposed at the weekend was relaxed for a couple of hours in some cities yesterday to allow people to shop.

The state's thriving agricultural and manufacturing industries, and its grain and other markets, remain closed, however. The curfew was due to be lifted this morning in the capital city of Chandigarh.

During the past 36 hours security forces have searched and arrested terrorists at 38 *gurdwaras* – Sikh temples – five Hindu temples and one Moslem mosque as part of their attempt to clear the whole of Punjab, not just Amritsar, of extremist activity.

"We will complete our task soon," said Lt.-Gen Ranjit Singh Dayal, the Sikh army officer who has taken over as the Punjab's chief security adviser and who is in charge of the Golden Temple operation. The army had been surprised by the strength of the Sikhs' fire power,


Treading on holy ground, Page 6; Editorial comment, Page 18


# Mondale claims nomination victory

By Stewart Fleming in Washington

FORMER vice-president Walter Mondale claimed victory yesterday in the race for the Democratic party's presidential nomination after securing impressive victories in two of the last five presidential primary elections.

"The race for the majority is now over. Today I am pleased to claim the nomination," Mr Mondale told supporters in St Paul, Minnesota.

But Senator Gary Hart, whose relentless pursuit of the nomination denied Mr Mondale the early victory in the race which many expected at the beginning of the year, stubbornly refused to coincede defeat after his overwhelming victory in one of Tuesday's five primary races, the California election. Senator Hart also won in South Dakota and New Mexico.

In California, Senator Hart appears to have won more than two thirds of the 306 delegates at stake in the 45 congressional districts, even though the popular vote in the state, which has still to be finally tabulated, had the two front runners neck and neck.

"The popular vote was quite close but the rules worked against me," Mr Mondale said yesterday.


Continued on Page 20


# Feldstein says short-term U.S. rates will rise

BY STEWART FLEMING IN WASHINGTON

SHORT-TERM interest rates in the U.S. are likely to rise over the next six months, Mr Martin Feldstein, chairman of President Ronald Reagan's Council of Economic Advisers, warned yesterday.

His prediction contrasts with the reassuring outlook on interest rates which the Reagan Administration has been painting ahead of the seven-nation economic summit which opens today in London.

Mr Reagan said last week before leaving for the summit that "American interest rates should fall over the next period of months."

In congressional testimony yesterday, however, Mr Feldstein said that short-term rates were likely to continue to be high both in 1984 and 1985, even if Congress soon passed, the $142bn three-year budget deficit-cutting package it is considering.

He stated that the package does nothing to cut the deficit in 1984 and will have "very little" impact in 1985. Because of this, he said, the current pressures in the credit markets as a result of the borrowing demands of the government and the private sector would remain unabated.

Mr Feldstein's remarks may once again be an embarrassment to the White House, which has been seeking to reassure its industrial partners about the outlook for interest rates and the budget deficit as part of its strategy for the summit.

Mr Feldstein, who is shortly leaving his post in Washington, did hold out the prospect that medium and long-term interest rates could "top out" and begin to fall if Congress passes the current three-year deficit-cutting package and further action to cut the deficit next year.

He advocated measures next year which would roughly double the budget cuts proposed in the current package, taking them to $100bn in 1986 and $140bn in 1987.

Mr Feldstein's remarks came in testimony on the dollar and the U.S. trade deficit to the House of Representatives banking committee. In separate testimony, Mr C. Fred Bergsten, former Assistant Treasury Secretary in the Carter Administration, said that on current trends U.S. dependence on foreign borrowing suggest "that the U.S. could be challenging Brazil and Mexico for ranking as the top debtor nation in the world by 1986."


Wall Street report, Page 35


# Swedish Government urges 5% pay norm

BY KEVIN DONE, NORDIC CORRESPONDENT, IN STOCKHOLM

SWEDEN'S Social Democratic Government is seeking a voluntary 5 per cent pay norm for 1985 as part of its fight to hold down the rate of inflation, which is one of the highest in Europe.

Inflationary wage deals are seen by the Government as the main threat to the economic recovery, which has been gathering pace since the 1982 devaluation.

Mr Olof Palme, the Prime Minister, and Mr Kjell-Olof Feldt, the Finance Minister, met leaders of trade unions and employers yesterday to appeal for wage restraint in 1985.

Mr Palme made clear that the rise in wage costs could not be allowed to exceed 5 per cent if the Government was to achieve its target of reducing the rate of inflation to 3 per cent by the end of next year.

Government concern over the impact of inflationary wage deals earlier this year forced it to introduce a general price freeze until the end of 1984, but it is now particularly anxious about next year's wage round.

The overhang from agreements made this year, with expected wage drift, already appear to guarantee an increase in wage costs of around 4.5 per cent in 1985. This allows little scope for further increases in basic rates.

The two sides of industry have been given a three-week respite to try to find a joint approach to next year's wage negotiations compatible with the Government's inflation target. The Government has called a further meeting for June 26.

Mr Feldt warned that the Government was ready to take "unpleasant" measures to rescue its economic strategy if the unions and employers failed to agree.

# AT&T an Inmos suitor

By Kevin Brown in London

AMERICAN Telephone and Telegraph (AT&T), the U.S. telecommunications group, is one of a number of companies negotiating to take an equity stake in Inmos, the state-owned British microchip producer, the UK Government confirmed yesterday.

"There are several companies interested in investing in Inmos, both in the UK and overseas, and at the moment no option is excluded," Mr Kenneth Baker, Minister for Information and Technology, told the House of Commons.

There were no proposals for an outright purchase of Inmos, he said.

The government-run British Technology Group, which controls 75 per cent of Inmos, was actively


Continued on Page 20

Plessey plans £50m plant, Page 20




## CONTENTS

## Race rears its head in Dutch campaign

By Walter Ellis in Amsterdam

THE DUTCH social democrat party, Democrats '66, which is fielding 16 candidates, yesterday called for financial help for foreign guestworkers and immigrants to encourage them to return to their own countries.

The party, which once had 17 seats in the national Parliament but which managed to hold on to only six in the 1982 general election, is trying hard to recover popular appeal.

Many voters, especially in the bigger cities, are uneasy about the growing number of guestworkers and immigrants. There were near-riots in Rotterdam earlier this year when right-wing supporters of the racist Centrum Partij attacked members of the City's swelling Turkish community, and the party won eight seats last month on Rotterdam city council.

The Centrum Partij has high hopes of obtaining a seat at Strasbourg. Mr Alfred Vierling is the man felt most likely to succeed, and in his manifesto he, too, talks of the need to repatriate foreign workers. He talks of his desire to close the Netherlands' frontiers and seemingly fears being engulfed by "one billion Moslems."

## Greek charge of intimidation

By Andriana Ierodiaconou in Athens

THE GREEK New Democracy opposition leader, Mr Evangelos Averass, yesterday accused the Socialist Government of using the state machinery and the unions to intimidate the voters before the election.

"There is an effort to frighten people. We have facts to prove it," he said. He aired similar complaints in a private hearing on Tuesday with President Constantine Karamanlis.

His remarks are expected to further inflame the contest which has developed into a high voltage political confrontation between New Democracy and Pasok, the governing Socialist Party.

Mr Andreas Papandreou, the Prime Minister, last week accused the opposition of working with extreme right-wing groups to create tension and violence. Clashes between rival supporters are a regular occurrence.

Ireland—the North and the Republic—chews over its politicians' record in winning a slice of the Euro-cake

# Tribes who hear The Voice and dance to the reel

AT THE end of the meeting, the chairman announces: "Ladies and gentlemen, the *national* anthem," and everyone immediately stands up and starts singing. There is no accompaniment, but by the end *of the second line, everyone has* converged on more or less the same key. It is all totally unselfconscious. They still play the national anthem in Northern Ireland cinemas.

We are in the Slieve Donard Hotel, a red brick Gothic edifice that looks out on to the Mountains of Mourne and the sea, and we have been listening to Mr John Taylor, the official Unionist Party's candidate in the European elections, and to Mr Enoch Powell.

Mr Powell, the local MP, has been telling us of the growing respect in Westminster for the party's 11 MPs. "You'd be flattered to know how much those 11 votes are valued in the whips' offices these days," he says. Mr Taylor, who appears to share Mr Powell's antipathy to the EEC, has bluntly reminded us that while this election may be ostensibly about Europe, it is in fact about the one issue on which all Northern Ireland elections are fought — the administration and future of Northern Ireland.

He quickly identifies the real enemy in the campaign. It is The Voice. The Voice, he *warns may be a loud voice*, a strident voice, a self publicising voice. But it is a voice in a wilderness. His refusal to name the Rev Ian Paisley, however, far from diminishing the leader of the Democratic Unionist Party, confers on him a sort of legendary status beside which Mr Taylor, a rather stolid man whose repartee is not his strongest suit, seems insignificant.

The meeting is open to questions, but after much encouragement there are only two — one from a dairy farmer, another about the possibility of America handing Ulster over to Dublin as a reward for joining Nato. *After a vote is pro*posed, seconded and responded to, a jumble sale announced and the national anthem sung, everyone files out.

Although the lawns and long drive of the hotel are sealed off and patrolled by police, many people automatically check the underside of their cars before driving off. Snatches of conversation drift across the air. "Well, we've got Mother with us just now, so it's a bit difficult" . . . "so we'll be seeing you Thursday night then." No-one is talking about politics. Meetings of this kind are really social occasions, a chance to rub shoulders with the rest of the tribe, and since the political question does not change any more than fundamental attitudes to it, there seems little need to discuss it.

There's not much political *discussion* in the Falls Road; either, where even the traffic lights are protected by wire grilles, and where Mr Gerry Adams, the local MP, is canvassing with Mr Danny Morrison, the Sinn Fein candidate. This is solid Provo territory, so most of the people who emerge from the silent, terraced houses in response to the campaign van with its blaring Irish reel, are warmly supportive. One woman, sitting on her doorstep in the afternoon sun, is cool, even surly. Asked: "Can we count *on you on June 14?" she replies* "probably," which among Irish voters usually means no. Once out of earshot, one of the canvassers *gives the explanation*: "Oh, that's Dominick McGlinchy's aunt."

Most people, however, pledge their vote. The only question, and it is a common one, is "What are you doing about the hoods?" These are young petty criminals, involved in burglary, car theft, receiving stolen goods and the odd spot of mugging, who are terrorising the locals. The IRA, Mr Adams explains, used to kneecap them, but has abandoned the policy, although it was highly popular, because punishment shooting *is* no longer regarded as an effective solution for a social problem. He recently attended a Sinn Fein *meeting in Divis flats for* glue sniffers and joy riders, and was gratified when 48 of them turned up. "We didn't say much—mostly we *listened*," Mr Adams says. The car-stealing and joy-riding stopped for a few weeks, he adds, though it has since resumed.

The MP for West Belfast concedes that a section of the Catholic community will never *vote for Sinn Fein because of* its support for the IRA—indeed many believe the two organisations to be synonymous but he adds: "There is a wider understanding of what we are about."

What they are about at the moment is getting 50 per cent of the Catholic vote. They are unlikely to do so on June 14, but believe that if they can improve on their 103,000 votes of last year's general election, the momentum may help them achieve their goal in next year's local elections.

The prospect is causing not a little alarm in London, Dublin and even in some unionist *circles. These are pinning their* hopes on Mr John Hume, leader of the Social Democratic and Labour Party, whose 140,000 *votes last time won him a seat* in Strasbourg. He is widely expected to hold on to this seat, though he may need some *unionist support to do so, an is* campaigning mainly on his record as an MEP. Indeed he is the only one of the main candidates to campaign on an unabashedly pro-European platform, and the only one to insist that this election is about European issues.

Whether he believes this is a different matter. But talking about Europe helps him to avoid talking about the New Ireland Forum, of which he was the principal architect, and hence to deflect suggestions that the Forum was merely a lifeline for his party. The Forum, he believes, has had sufficient publicity *to be an issue without his* having to raise it, and this fact alone should help his party.

The other parties are ignoring the forum, rather as they are trying to ignore Europe, though the Rev Ian Paisley has neatly encapsulated his opposition to both. His posters, plastered across the province, boom out the message: "The EEC put your pound in Dublin's pocket." He could be onto a winner.

**Margaret van Hattem**

# Green acres where milk has damped the European fire

THE VETERAN Labour Party campaigner in Cork was philosophical. "Between the visit of Ronald Reagan and the Munster hurling final, we can throw our hats at it this week."

President Ronald Reagan of the U.S. has departed and Cork *won the final, so the parties can* buckle down to the familiar task of persuading a largely uninterested electorate to come *out and vote in the European* elections.

Their task is likely to prove harder than in 1979. Then the *European elections were held* with local government contests. This time, they must stand alone on June 14, apart from *one by-election and a referen*dum which, if approved, would give British citizens living in Ireland the vote. (This little *piece of European integration is* expected to pass without difficulty.)

Party managers say they will be delighted if the turn-out exceeds 50 per cent compared with the usual 80 per cent at general elections. There seems little doubt that Irish enthusiasm for Europe has declined sharply since the high hopes which greeted entry in 1973.

Even in 1979, it was possible to have a debate on the question *of increased powers for the* European parliament, but candidates in this campaign have failed so far to raise a signifi*cant European issue. This in* turn may reflect the general Irish failure to develop a European policy.

*The Irish have proved quite* adept at getting a reasonable slice of the Euro-cake. The recent milk negotiations, when they secured a 4.5 per cent increase in production quotas while everyone else was cutting back, was a good example. But *the lack of an Irish contribution* has been noted. Sig Altiero Spinelli, the Italian enthusiast of European union, was quoted *in the Irish Times as saying:* "They (the Irish) come to Strasbourg, colourless little people, and there is no fire, and *there is no imagination*, and they come in respectable colourless suits and they speak English—bah!"

On the face of it, an opportunity has been missed. Europe appeared to hold out the prospect of ending Ireland's symbiotic relationship with Britain. Entry to the European monetary system, without the UK, was justified on precisely that basis, but neither the political nor the economic policies necessary were ever put in place.

Dr Joseph Lee, an Irish historian, believes there is an *intellectual failure* here and that the Irish, unaccustomed to thinking strategically, are obsessed with purely tactical *considerations.*

The conduct over the milk question backs him up. Although agriculture is more *important to Ireland than to* any other EEC state, and although it has been clear for at least five years that the common *agricultural policy* would not survive in its present form, Ireland has no policy on European agricultural develop*ment and falls back on seeking* the maximum national derogation.

Milk, indeed, is likely to be the main European *issue* in the campaign. Irish farmers are unhappy with their limited increase, but each demonstration by farmers in other countries against the cuts in their quotas helps persuade those here that the government of Dr Garret FitzGerald may have secured a good deal after all.

Candidates in Munster will also be paying close attention to the Irish steel plant at Cork. The plant needs I£90m in aid to survive and the 600 jobs depend on EEC approval for this government subsidy.

Otherwise, canvassers expect *that domestic issues will prevail* and that much of the poll will be a mid-term verdict on the government's economic record. *Ministers look to the prospect* with foreboding, and are bracing themselves for a sharp rebuke, especially among the *urban middle classes. The* cabinet has hopes that its rural supporters may hold firm as the relative generosity of the milk *deal becomes clear.*

The opposition, now led by Mr Charles Haughey, hopes to capitalise on this to win a *majority of Ireland's 15 Euro*pean seats. The system of proportional representation in four, large, multi-member constituencies make it difficult to gain seats without a very large swing, but the Fianna Fail party should certainly improve on its present total of five. An overall majority could depend on its success in ousting Mr Neil Blaney, a former Fianna Fail minister, from his Donegal fastness in the Connaught/Ulster constituency. Mr Blaney, an independent now, is noted for his hard line on Northern Ireland and his brilliant electioneering, but his grip may be weakening.

The huge constituencies and the winding minor roads take a *punishing* toll of candidates. This is especially true of smaller parties, with just one candidate per constituency. Such candidates can expect to travel anything up to 20,000 miles in the course of the campaign.

*Labour. is in this position,* fielding just one candidate per constituency. It surprised everyone by winning four seats *in 1979 but its position as junior* partner in the Government may tell against it. The party has a good chance of winning a seat in Dublin and in Munster.

The left-wing Workers' Party and Sinn Fein, the political wing of the Provisional IRA, are the other minor parties. Neither can win a seat. The Sinn Fein vote will be watched closely, however, for signs of any repetition of the gains the party made in Northern Ireland. It is fielding six candidates.

Mr FitzGerald's and Fine Gael party did not do particularly well in 1979 and holds only four seats. This may help oddly, because a substantial fall would be required to cause any loss of a seat this time.

The final irony is that polls suggest that new candidates, with a recent record in national politics, will fare better than many of the sitting members. Dual membership, of the Irish and European parliaments, is becoming increasingly unpopular, so Strasbourg could constitute a one-term sojurn for Irish members unless they can restore some of that old European fire.

**Brendan Keenan**

## Britain has 'abdicated leading role in EEC'

By Peter Riddell, Political Editor

MR ROY JENKINS, the Social Democrat MP and former president of the European Commission, claimed yesterday that, for the fourth time in 35 years, Britain was "abdicating a possible leadership role in the EEC."

Mr Jenkins's comments were made at an Alliance news conference in London on the eve of the start of the world economic summit there.

He argued that, unlike previous summits, there had been no attempt at co-ordinated EEC preparation for the summit. He said this was "because Mrs Thatcher has reduced European councils to a level of bookkeepers' tedium, with which even the most hardened of Euro-bores cannot put up."

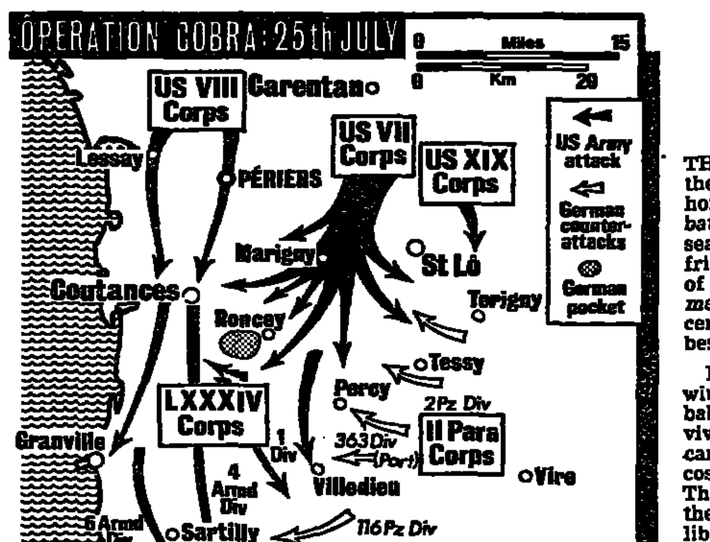
Mr Jenkins argued that this mattered because "Europe, atrophied by petty quarrels, sees both its wealth and its influence plummeting, compared with both the U.S. and Japan." He said that "since the Schmidt/Giscard leadership disappeared, our European voice has been declining in the councils of the West. Now a new leadership is slowly emerging. Again, it is Franco-German: Mitterrand and Kohl."

He argued that it was a tragedy that the *British* Government should drearily repeat past mistakes over the coal and steel community in 1950, over the Treaty of Rome in 1957, over the European monetary system in 1979, and should stand once again on the sidelines.

On the same theme, Mr David Steel, the Liberal leader, told a rally at Stockport that Mrs Thatcher approaches Europe with "veto" stamped across her forehead, assuming every *meeting will degenerate into* an unseemly brawl around the bran tub. It was that view which was crippling Britain *in Europe, he said.*

Mr Edward Heath, the former Conservative leader, yesterday repeated his attack on "complacency" *surrounding* the economic summit, and said he had no confidence that the issues of unemployment *and high interest rates would* be tackled.

# EUROPEAN NEWS




# The time for reconciliation—40 years after D-Day

BY DAVID MARSH, AT PERIERS, NORMANDY

THEY GATHERED yesterday in the Norman town of Périers to honour the dead of the 1944 *battles, fête the survivors and* seal the bonds of international friendship which, in the words of the hymn during the com*memoration service in the 11th*-century church, are the world's best hope for "no more war."

Local bigwigs, young boys in windcheaters, mothers with babies in arms, toothless survivors of German concentration camps and matrons clad in local costume thronged the streets. They testified the strength of the links Périers has with its liberators from the 90th Division of the U.S. army which landed, at Utah Beach, 20 miles to the north-east, 40 years ago yesterday.

Meanwhile, on the western coast of the Cotentin Peninsula, a world away from the Allied victors' monarchs and presidents *lined up on the other side*, a party of German and French schoolchildren held a picnic, simply to make friends and *learn each other's language.*

"I think it's a good thing for Europe that the allies won the war and Hitler and his friends got beaten," said Franck Eisenblaetter, aged 16, a pupil from Fallingbostel in northern Germany, whose school has been making exchange visits with Périers for 15 years. "Still, I think it is strange that Germany is not represented at the ceremonies."

"People must forgive—but not forget," said another Ger*man pupil with statesmanlike* solemnity.

Back in a residential square of Périers, Mr Jim Clark—a bronzed American veteran from *Lawrence, Kansas*, now a prosperous-looking car dealer—was being awarded "the biggest honour I have ever received." *The square — in a* freshly urbanised sector bordered by new family homes and sapling hedges, hardly in the same plant kingdom as the tough Norman hedgerows through which Allied tanks and infantry struggled in 1914—has been named Place Jim Clark.

As a liaison officer in the 358 Regiment, he was the first American to enter the town on its liberation of July 27 1944—"by mistake," he now says with a grin.

He is among the 200 *American* veterans and their families being lodged and entertained by grateful Périers residents during the ceremonies. The men, trim with their "*Operation Friendly Invasion*" badges, are mostly in their 60s but look 10 years younger than their French hosts of the same age. They do not glorify the war.

The 90th Division was almost certainly not, as M Michel Ciubucciu the *town's mayor*, generously said yesterday, "the best infantry division in Europe." It bore its share of *the Americans' heavy* toll in their Cherbourg Peninsula campaign. On its way through France and Germany, ultimately to Czechoslovakia, the division suffered 3,340 dead and 18,000 wounded out of 42,000 men.

"I lost too many friends," said Mr Jim Cleaveland of Independence, Missouri, his eyes turning moist. Mr Warren Lloyd, another 90th veteran, now a Florida tax auditor, lost his *jauntiness for a moment as* he reflected: "Seeing those hedgerows, orchards and buttercups again brought back haunted memories."

To greet the veterans, about 1,000 people and the resistance fighters' brass band turned out in the town of 3,000 people. "They love us," said Mr Lloyd. One local couple brandished a piece of paper with an infantryman's name on it. He had left his rifle behind 40 years ago. They departed disappointed at not finding him.

The battle for Hill 122 on July 22, just outside Périers, turned into one of the most poignant episodes of the Normandy campaign. American soldiers and the German 6th Paratroop Regiment called a temporary truce to clear *severely wounded from both* sides.

M. Jean Couderc, head of the local school, which is host to *the Franco-American banquet* and the German schoolchildren, said his pupils asked him why he could not fly the German flag *as well as the* Stars and Stripes outside the gates. "I suggested it to the local people and they smiled," he says. "It *is time to end that quarrel.*"

German and American veterans met at the German cemetery on Tuesday and will *gather again later at Heidel*berg during the 90th Division's European trip. For many it could be the last return to the *battlefields — and it is time* for reconciliation.

As Comecon prepares for its first summit in 13 years, FT writers assess the prospects of its least and most loyal members

# Moscow wields economic carrot and stick on Romania and Bulgaria

ROMANIA'S CUSSED insistence on getting access to Soviet energy and raw materials on terms equal to other East European countries, while resisting a greater degree of Comecon integration has been a key fac*tor in the long delay of a Soviet* bloc summit.

Years after it was first mooted, the summit is to start in Moscow next Tuesday. The final groundwork was laid this week with President Nicolae Ceausescu's talks in the Kremlin, though it is not yet evident what, if any, satisfaction he got there. But it is clear that Romania stands in greater need than ever of better trading arrangements with its Eastern partners. Its trade surpluses with the West and hard-currency debt reductions over the past two years are, for instance, probably unsustainable without *some help from Comecon.*

The improvement in external finances — a $2.4bn trade surplus last year—has meant sacrifices almost unparalleled in Eastern Europe since the early post-war years.

The ministers of light industry, agriculture and energy have all lost their jobs this year *for failing*, by a long chalk, to meet plan targets in their sectors. But the real victim is the already-underpivilaged consumer who is being *further* squeezed for supplies diverted to exports.

Many basic *foods* in once fertile Romania are already rationed and scarce. This year's planned supplies of meat and flour for domestic consumption are to fall up to 15 per cent and there will also be less severe cuts in milk, edible oils, fats and sugar.

Romania's president and Communist Party leader, Mr Nicolae Ceausescu, who single*handedly formulates economic* policy, early this year decreed that the private plots should be fully exploited.

*Rather than* provide incentives to produce more, however, the Government has said it will punish farmers who fail to comply with production targets by turning their private plots over to collective farms.

The Government does not appear to have had any greater success in the energy sphere. Output is responding only slowly to the ambitious *official* energy programme's shift in resources to oil, coal and nuclear power production.

*The target for crude oil out*put this year is 13m tonnes. But that is 0.5m tonnes below last year's goal and 1m below the original projection for this year. Production of coal, which is to replace oil as fuel for power stations, lags well behind the 1983 programme which spoke of minimum coal production of 84m tonnes this year.

The nuclear energy plan is years behind schedule, and the first nuclear power station at Cernavoda is not expected to be operational for another four years.

These delays and the lack of hydroelectric power after last *year's severe drought led to one* of the worst electricity shortages in memory. Private households, which consume only 7 per cent of electric power, were ordered to pull out the plugs of their appliances, and were threatened with having their light sockets plastered shut if they failed to comply.

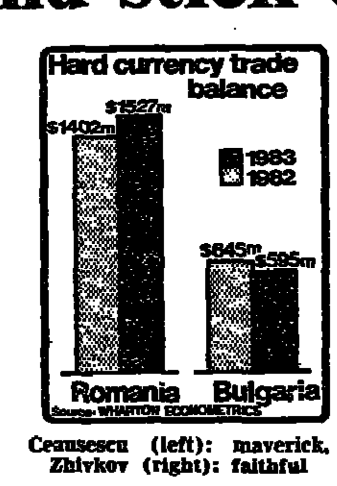
Last September, the Government cut workers' basic salary to 75 per cent of its former value, and decreed that the *remaining quarter* was *to be* dependent on fulfilment of plan targets.

But instead of motivating workers, the state's *efforts have* acted as a disincentive. Shortages of materials and energy, over-centralised planning and bad management mean individual *attempts to improve output* are to no avail.

Romania's headlong rush into industrialisation has produced *prestige projects with extremely* slim chances of commercial success, such as the country's sprawling oil refineries, now working at less than 50 per cent of capacity, or the steel industry, which is being expanded despite the world-wide glut.

These industrial millstones are regarded by Western and East European economists as more significant in assessing Romania's economy than its current success in building hard currency surpluses.

**Leslie Colitt**




Ceausescu (left): maverick, Zhivkov (right): faithful

BULGARIANS KNOW their bread is buttered on the Eastern side. Some 78 per cent of their trade is done with other mem*bers of Comecon, and 57 per* cent with the Soviet Union alone. This is a far higher share of intra-Comecon trade than for *other Comecon members, which* on average do just over half their trade with each other.

*Naturally, therefore*, the prospect next week of a Comecon summit is of consuming interest to Bulgaria. The reaction of Sofia officials might be expected to be a certain trepidation: will Bulgaria continue to get the short-term Soviet trade credits that has helped it maintain an average 4 per cent growth for the past three years, the highest in Eastern Europe?

Can it go on feeding its relatively large petrochemical industry with cheap Russian oil that has helped it chalk up hard currency trade surpluses in excess of $600m in recent years and so to reduce its Western debt to the lowest level in Comecon? Will Comecon specialisation go on working to Bulgarian advantage, giving it a lead role in such growth sectors as robotics and electronics?

In fact, Bulgaria seems optimistic that it can protest past gains, and win new ones. Mr Andrei Lukanov, Politburo member and deputy prime minister in charge of external economic relations, forecasts *that the Moscow summit will* approve a series of decisions of benefit to Bulgaria. These include a new telecommunications *programme, a sharper division* of labour in electronics and machine-building, and more energy cooperation ranging *from building* reactors to exploring for uranium, oil and gas.

Some areas, like Comecon pricing, are more problematic for Bulgaria. As the biggest food exporter within Comecon, it is interested in higher agricultural trading prices. But, by some hard bargaining and upgrading quality (more "appellation controllee" wines in the 3m hectolitres sold to Comecon partners each year), Bulgaria has obtained "a steady improvement" in *these export* prices, Mr Lukanov says.

The mystery factor in the Bulgarian economy is its precise *benefit from Soviet oil. Bulgaria*, like the other East European countries, has been paying sharply higher prices for Soviet crude (which follows the OPEC trend with a lag) recently.

However, unlike other East European states, it has been favoured with substantially larger amounts of Soviet crude than needed for domestic consumption. The excess has been refined and sold in the West for hard currency, netting Bulgaria $2.2bn (£1.6bn) in the past three years, according to an estimate by Wharton Econometrics, the U.S. research organisation.

Like many other areas in *Bulgaria*, this oil trade is veiled with secrecy. But Mr Lukanov says Bulgaria neither expects extra quantities of Soviet crude *in future* (because of the plateauing of Soviet output), nor wants them (because of Bulgaria's switch to *other fuels*). In any case, Bulgaria may now be able to coast along financially without the extra Soviet oil, which in the past four years has helped it halve its hard currency debt to somewhere between $1-2bn.

The paradox is that, *of all* Eastern European countries, Bulgaria is perhaps the best placed financially to increase trade with the *West, but the* least politically interested in doing so. In the current state of East-West tensions, this is a comfortable *position for* Bulgarians, not least because it gives them some bargaining leverage over Western businessmen.

The price, for Bulgarians, is paid in their own hard work and unstinting loyalty to Moscow. And the loyalty, at least, comes easily to them.

**David Buchan and Patrick Blum**

FINANCIAL TIMES, USPS No 190640 published daily except Sundays and holidays. U.S. subscription rates $420.00 per annum. Second class $420.00 per annum. Second class postage paid at New York NY and at additional mailing offices. POSTMASTER: send address changes to: FINANCIAL TIMES, 14 East 60th Street, New York, NY 40022.

# Hint of Andreotti link with P2 scandal

BY JAMES BUXTON IN ROME

THE INCREASINGLY fractious government of Sig Bettino Craxi came closer than ever to crisis yesterday after a leading member of the Prime Minister's Socialist Party made a speech which was interpreted as a grave accusation against Sig Giulio Andreotti, the Foreign Minister.

Sig Rino Formica, one of Sig Craxi's close associates, implied that Sig Andreotti was the real founder of the P2 masonic lodge, and that he had been collected with a string of past scandals.

Although Sig Formica, addressing the parliamentary commission investigating the lodge, which was unearthed in 1981, did not specifically accuse Sig Andreotti of anything; neither the press nor Sig Andreotti's outraged Christian Democrat Party was in any doubt as to what Sig Formica meant.

After linking a number of mysterious events in the past two decades, and naming Sig. Andreotti in passing, Sig. Formica said: "The inventor of the P2 lodge cannot have been the mattress merchant of Arezzo" — a reference to Sig. Licio Gelli, the supposed founder and the venerable master of the P2 lodge, and a former executive of a bed-making company.

Sig. Craxi, after meeting Sig. Andreotti, issued a statement yesterday to express his confidence in the latter, with whom he will take part today in the London summit meeting. He also said that it was best to wait until after the P2 Commission has made its report next month before judging the masonic lodge and its role.

But this was not enough for the political office of the Christian Democrat party. After a three-hour meeting yesterday, it insisted that the Socialist Party disown Sig. Formica's statement.

The only person who appeared unruffled by the row was the ever-inscrutable Sig. Andreotti, who said: "To tell the truth, I haven't read what Formica said."

In a separate development, the cabinet yesterday agreed to seek a vote of confidence in the Senate, in order to help win approval of the government's decree to reduce wage-indexation. This measure, one of the main acts of the Craxi administration, is now on its last stages in parliament.

## Austrian coalition row cools

By Patrick Blum in Vienna

THE apparent crisis in the Socialist-led Austrian coalition Government has turned into a storm in a teacup with the announcement that Dr Herbert Salcher, Minister of Finance, has withdrawn his threat to resign.

The announcement came after an intervention by Dr Bruno Kreisky, the former Chancellor, who launched Dr Salcher on his ministerial career. The minister had been put out by a decision made by Dr Kreisky's successor, Dr Fred Sinowatz, ruling out a major overhaul of the tax system.

A compromise has been reached between the two men which rules out significant change. Dr Salcher's proposal to increase income tax on overtime pay — which enjoys preferential treatment — has been dropped.

Dr Salcher's change of mind was announced by Dr Sinowatz, who at the same time predicted a bright future for the Austrian economy. Forecasts published yesterday by Wifo, the Vienna economic research institute, predicted that economic expansion would continue.

The growth rate is expected to reach 2.5 per cent this year, and 3 per cent next, compared to 1.9 per cent in 1983. Growth is mainly due to a strong export performance which is also encouraging companies to increase production to build up stocks.

Industrial investment is expected to grow by 13-14 per cent this year; it fell by about 10 per cent last year. Private consumption is likely to fall but by 1 per cent, following VAT increases last January, but pick up again next year.

One area of concern is the 27 per cent increase in imports in April.

## Pressure on Citroën over cuts

BY DAVID HOUSEGO IN PARIS

THE FRENCH Government was debating last night what extra pressure it could put on Citroën, the privately-owned car company, following the management's announcement on Tuesday night that it was sticking to its demand to make 2,300 workers redundant.

The Government had told the group three weeks ago that it would not ratify the redundancies until Citroën had negotiated further with the unions on saving jobs through cuts in the working week and retraining schemes. It gave the group until August 18 to come up with fresh proposals.

The timing is important for the Government because it would put the issue of redundancies beyond the European elections and demonstrate to the unions that the administration is doing its utmost to limit the growth in unemployment.

Citroën, which is part of the Peugeot group, is anxious to push ahead with the redundancies to limit losses that exceeded FFr 1bn last year. As M Paul Parayre, the Peugeot chairman, also made clear this week the group does not believe that cuts in the working week are feasible at the moment in the French car industry.

In its announcement on Tuesday, Citroen called on the government to decide on its request for 2,300 redundancies. There was no formal response from the government yesterday but officials said that Citroen had not allowed sufficient time for negotiations.

The CGT union, which organised the strike at Citroen's Aulnay-sous-Bois plant last month, yesterday called on the government to reject definitively the government's request.

## Franco-Dutch arms pact signed

BY OUR PARIS CORRESPONDENT

FRANCE AND the Netherlands yesterday signed an agreement in Paris paving the way for closer collaboration in weapons production.

It is one of several bilateral accords which France has signed with other European countries to spread the cost of producing arms. The French aim is also to offset slowing arms sales to the Third World with increasing exports in Europe.

M Charles Hernu, the French Minister of Defence, and Mr Jacob dé Ruiter, his Dutch counterpart signed the accord which sets up a permanent commission to study areas of joint production. France has similar agreements with West Germany, Italy, Britain, Spain, Greece and Denmark, and is negotiating with Norway.

France is currently engaged with the Netherlands and Belgium in developing a series of minesweepers. Other potential areas of co-operation mentioned by officials are mines, multi-launch rocket systems, 1-4 ton vehicles, radar systems and medium calibre naval artillery.

## Greenland mineral control call

BY HILARY BARNES IN COPENHAGEN

A DEMAND by the ruling Siumut Party for unilateral Greenland control over the island's mineral resources was the major issue in yesterday's election to the Greenland home-rule Assembly, the Landsting. The result of the election will be known early today.

The election was caused when the Siumut Government lost a vote of confidence following the ratification of Greenland's agreement to leave the EEC next year. It was voted down by the moderate Atassut Party and the extreme left-wing Inuit Party.

Administration of mineral resources is a joint Greenland-Danish matter under the 1979 Home Rule agreement. Each side has a veto over decisions in the joint mineral resources commission, of which Siumut's leader, Mr Jonathan Motzfeldt, is the chairman.

The Siumut demand could affect negotiations, nearing completion, with Arco, the American oil company, following an oil exploration agreement in Jameson Land, east Greenland.

## Oil use by OECD states rises

By Ian Hargreaves

OIL CONSUMPTION in the developed world is continuing to rise, but there is still no sign of any shortage of supplies, in spite of attacks on tankers in the Gulf shipping lanes, according to the Paris-based International Energy Agency.

In its latest monthly oil market report, the IEA says that countries of the Organisation for Economic Co-operation and Development consumed 35.7m b/d of oil in the first quarter of this year, a 3 per cent rise on the same quarter of 1983. Consumption was sharply higher in North America and the Pacific basin and lower in Europe. In the second quarter the IEA expects a similar rate of increase on the period a year earlier.

Assuming that oil production in June maintains the levels achieved in May, this will allow the OECD to increase its oil stocks held on land from 412m tons on April 1 to 414m tons on July 1.

That represents 97 days of supply at projected rates of consumption, which is lower than the 100 and 107 days supply held at the start of July in 1983 and 1982, but significantly higher than the 79-80 days' supply held at the time of the 1978-79 increase in prices.

The report acknowledges that recent attacks on the Iranian oil terminal at Kharg Island have affected liftings, but says that these may have been offset by extra movements through other Gulf ports.

The IEA expects the moderate upward trend in OECD oil consumption to continue, although at a slower rate in the tail-end of this year. Its latest forecast of world oil demand in 1984 is 45.4m b/d, compared to 44.4m b/d in 1983.

## U.S. court refers Eli Lilly case to UK

By William Hall in New York

MOVES by some 400 UK citizens to win damages against Eli Lilly, the U.S. pharmaceutical giant, which marketed Opren, the anti-arthritic drug in the UK, have suffered a severe setback following a U.S. court ruling that their case must be heard in UK courts.

Judge Larry J. McKinney, an Indiana state court judge, ruled that 400 UK citizens, who had filed suit against the company and its drug Oraflex (as it is known in the U.S.) cannot pursue their litigation in Indiana, the home of Eli Lilly's headquarters.

The U.S. judge made his decision because all the witnesses resided in the UK, and the U.S. court had no way of requiring their attendance. The judge said that the UK courts were perfectly able to adjudicate on the case. The judge's decision does not affect the status of the U.S. claims against Oraflex which was withdrawn from the market in August 1982.

The UK lawsuits are one of the biggest sources of litigation Eli Lilly faces in what was become known in legal and medical circles as the "Oraflex affair." The legal actions are complex but centre on accusations that the company continued to market its anti-arthritis drug after it had knowledge of adverse side effects.

Last November a federal jury in Columbus, Georgia, found Eli Lilly responsible for the death of an 81-year-old woman who took Oraflex. The company was ordered to pay $6m.

During the trial a former Lilly official said that the company knew about the deaths of 29 people in Europe who had taken the drug, but did not inform the U.S. Food and Drug Administration before Oraflex was approved.

Carla Rapoport adds: Legal action against Eli Lilly is to proceed despite this week's setback in the U.S. courts.

The group representing the plaintiffs stated in London yesterday that it would both appeal against the decision and begin to seek compensation through British courts.

It has also called for a European-wide boycott of all products made by Eli Lilly. The group, led by Opren Action Committee, again called on Lilly to set up a special compensation scheme similar to the one set up after the thalidomide tragedy.

## West German steel warning as strike talks continue

BY JAMES BUCHAN IN BONN

EMPLOYERS AND union representatives from the West German engineering industry continued talks into the evening yesterday, although there was no clear sign of a compromise emerging to put an end to the three-week strike over working hours.

The talks covering the strike-bound Stuttgart area but deputising for the whole country, reopened on Tuesday after a week's break, with IG Metall, the engineering union, putting forward proposals marking a small retreat from original demands for moves towards a 35-hour week this year.

However, the demand for a staged cut of five hours from the 40-hour week for the entire industry from 1985 to 1988 is a long way from the employers' insistence that 40 hours remain the rule whatever reductions are made for classes of workers. In addition to a two-stage pay rise of 5 per cent over 19 months, employers are offering a cut of two hours for shift workers which, they say, will benefit 23 per cent of the industry workforce.

Ford, the motor manufacturer, was due to close down its Colgne assembly works from the end of the late shift yesterday in response to the shortage of key components from the strikebound plants in the Stuttgart and Frankfurt areas. The 6,000-strong workforce will be sent on a wek's paid holiday.

With the motor industry all but crippled, the West German steel companies warned that their production could start being affected from next week. Krupp Stahl, the steel arm of the Fried Krupp industrial group, said this week that thousands of tonnes of sheet steel were piling up in its stockyards.

Chancellor Helmut Kohl yesterday appealed in Parliament for the two sides in the engineering dispute to come together. He warned that a complete closure of the motor industry would cost the state some DM 1bn (£265m) a week in lost tax and contributions, endanger budgetary reform and the gradual upturn.

However, his remarks coincided with new figures issued by the Economics Ministry, showing that orders booked by manufacturing industry continued their slide in April even before the strike began. Orders adjusted for inflation and the season fell by 1 per cent in April after an adjusted 2 per cent drop in March.

Herr Kohl . . . concern about effect of climb in interest rates

## Kohl assails U.S. deficit

CHANCELLOR Helmut Kohl of West Germany yesterday took an uncharacteristically sharp swipe at the "extraordinary scale" of the U.S. budget deficit and complained that Washington had yet to come up with a convincing policy for consolidating its budget, writes James Buchan.

In a statement to Parliament on the Government's approach to the world economic summit which begins in London today, Herr Kohl voiced West German worries at the effect of the climb in interest rates—resulting partly from the U.S. deficit—on industrial recovery and the heavily indebted developing countries.

He said that the proposals for handling the debt problem agreed at last year's summit at Williamsburg still held good—that the industrial countries should open their markets more to Third World products, maintain lending and try to ensure that interest rates do not rise.

## EUROPEAN NEWS

**Bridget Bloom,** Defence Correspondent, on last week's foreign ministers' meeting

# Nato finds harmony amid East-West discord

TWICE IN the last six months, Nato foreign ministers have signed solemn statements declaring their belief in the need for "genuine détente" between West and East.

The last occasion was only last week, when as a result of a formal six-month review of East-West relations the ministers, Nato's highest political authority, effectively reaffirmed the Harmel doctrine first enunciated 17 years ago in the heady days when détente had begun to have real meaning.

Last week's Washington statement is couched in rather tougher language than Harmel: there is firmer insistence that defence and deterrence, as well as dialogue, should be the pillars of Nato policy.

Still, the alliance has come quite a long way from the days, less than three years ago, when President Reagan's anti-Soviet rhetoric was at its height and the European allies were at odds with Washington over Poland, the Soviet pipeline and much else besides.

The irony of the new Nato mood is that the Soviet Union apparently remains implacably opposed to the sort of carrots Nato is proffering. "The bear has gone into hibernation" commented Dr Joseph Luns, retiring after 14 years as Nato's Secretary General, while Mr George Shultz, the U.S. Secretary of State, said Moscow seemed determined to chill East-West relations. In these circumstances, then, the Washington and Brussels declarations are primarily of significance for Nato itself.

The most important effect is probably President Reagan's public commitment to the "new" Nato policies. "The best of Madison Avenue couldn't have achieved what his appearances on TV will have done to still right-wing American critics of us" said one European diplomat, a touch euphorically.

> 'The alliance has come a long way from the days when U.S. anti-Soviet rhetoric was at its height'

The second important point is that Nato's European ministers, concerned at the damage done to the general public consensus on defence over the last few years, feel they may be on the way to burnishing Nato's image with their own electorates.

Both last December's Brussels Declaration and last week's Washington Statement grew out of European concern that channels of political communication with the Soviet Union had been gradually but systematically closed since the invasion of Afghanistan and the advent of the Reagan Administration in early 1981.

The East-West chill was turned into a deep freeze after the Soviet shooting down of the Korean jet liner last September and by the Soviet walk-out last November, following the arrival in Europe of new U.S. nuclear missiles, from the Euromissile talks in Geneva.

Moscow continues to resist all attempts to lure it back to those talks or to the negotiations on strategic missiles (Start). The Soviets are also refusing to co-operate properly in the other negotiations still floundering on—those on chemical weapons, conventional forces and disarmament in Europe.

Nato ministers seem to have concluded that there is no hope for a revival of the major U.S.-Soviet talks until well after the U.S. election.

Last week ministers seemed to agree on three factors behind Moscow's aloofness: its desire to "punish" Nato for the new U.S. cruise and Pershing missile deployments; its continuing, if perhaps fainter, hope of dividing the alliance by its refusal to return to the talks; together with the continued uncertainty of a leadership which has changed three times in as many years.

One crumb of comfort in arms control may come at the conference on disarmament in Europe (CDE) in Stockholm. The Washington Nato communiqué hinted at what President Reagan spelt out in Dublin on Monday, that Nato could meet the Soviet request to negotiate a declaration on the non-use of non-nuclear forces (appalling known as "NOFUF" in the Nato jargo) in return for concrete confidence-building measures on conventional forces in Europe.

It remains to be seen how deep an impact the Washington and Brussels declarations have on Nato domestically. The Washington document speaks of "the need for dialogue, co-operation and contacts at all levels on the full range of questions between East and West."

> 'Weathering the storm over missile deployments seems to have made members more conciliatory'

U.S. officials maintain that President Reagan's new commitment to such sensible behaviour will underpin policy if he is re-elected.

At for the rest of Nato, none of the deep differences between Europe and the U.S. has been solved. But their shared tribulations (for that is how ministers see their weathering of the storm of the missile deployments) do seem to have engendered a more conciliatory atmosphere.

That goes for economic problems, including the perceived need for a "two-way street" in defence trade, or for the crisis in the Gulf, where Nato does not have a collective policy but where all ministers could last week agree on the need for diplomatic solutions.

Even the Dutch decision, announced the day after the Washington meeting, to defer deployment of its 48 cruise missiles, has been taken calmly.

The same goes for efforts to boost security co-operation within Western Europe, which in more frenzied times could have been seen as anti-American. Instead the U.S. has welcomed efforts to strengthen collaborative production of arms in Europe.

And last week M Claude Cheysson, the French Foreign Minister, went out of his way to allay fears that French efforts to revive the Western European Union were in any way anti-American or anti-Nato. WEU foreign ministers—from all EEC members except Ireland, Denmark and Greece—gather in Paris next week for a much-heralded meeting.

M Cheysson said France hoped WEU could be helpful in focusing on some European defence issues, but in no sense could the organisation be seen as a substitute for Nato, which would and should continue to take the decisions on defence for the western alliance.



# Changing fortunes of the drug industry

**Pharmaceutical companies are regaining some of the legal ground lost to parallel importers, but are hard pressed by the consumer and developing countries' lobby to adopt safeguards for the rational use of drugs, writes A. H. Hermann, Legal Correspondent.**

A DEAR friend of mine, who shunned many more profitable opportunities to remain a general practitioner in the East End of London, would prescribe anything more potent than aspirin only when satisfied that a more radical treatment was really necessary and would do some good – a conclusion which he did not reach lightly.

Unfortunately this is no longer a typical attitude, and the abuse of drugs – and not only tranquillisers – has become a worldwide problem. The large pharmaceutical companies are blamed for pushing the drugs too hard. In the World Health Organisation (WHO), they are now being accused of overselling or of not providing adequate warnings about the possible adverse effects of drugs.

Simultaneously, the research-based pharmaceutical companies are accused of asking too much for their products and erecting artificial barriers to trade to protect high-priced markets against imports from lower-priced markets by "parallel importers" competing with their own subsidiaries or appointed agents. For many years these companies have been fighting a losing battle with the EEC Commission, which supports the parallel importers.

Because patients, or those who imagine they are ill, are unlikely to shop around for cheap drugs when covered by a national health scheme or by public or private insurance, the parallel importers and pharmacists are able to keep most of the price difference.

It would, of course, be wrong to conclude that the Commission and the European Court were in any way concerned about the well-being of parallel importers: the series of decisions made in their favour was inspired by a higher longing, that for a common market in medicines.

The Commission and the court saw the parallel importers as the instrument for achieving it. When the governments continued to make the life of the parallel importers difficult by requiring from them documentation which they could not provide because the manufacturers did not let them have it, the Commission came to their aid. It drafted a directive in 1980 and, when this failed, issued a communication in 1981 which tried to achieve the same purpose by relying on the judgments of the European Court.

At the beginning of 1983 it seemed that the research-based pharmaceutical companies were left with very few defences. Step by step, the court deprived them of the use of patent and trademark infringement actions, not only when the parallel importer sold the product under the original trademark, but even when he repackaged the product and sold it under an alternative trademark of the same manufacturer – and then even if there were certain differences between the product sold under the different trademarks, as long as the therapeutic effects were essentially the same.

To the sorrow of the industry, the court in the *Hoffman-La-Roche/Centrafarm** case allowed the parallel importer to re-pack the medicine – to satisfy local prescription habits and distribution customs – as long as the product remained unimpaired, the fact of repackaging was indicated, and the trademark owner notified beforehand. The overall condition for such incursion into the trademark rights was, as the court said, that it could be proved in the context of the trademark owner's marketing arrangements that the use of his trademark right against the parallel importer would contribute to an artificial separation of national markets.

This decision of the European Court was followed by the German Federal Supreme Court's decision in *Hoechst/Eurim-Pharm* equally favourable to the parallel importers, and it seemed then that the money spent by pharmaceutical companies on trademark lawyers was largely wasted. However, this world is full of surprises, and the courts particularly so. Now, however, the tide seems to have turned.

When the dispute between Roche and Centrafarm reached the German Federal Supreme Court,** the German lawyers succeeded in taking the bottom out of the Luxembourg ruling: the Supreme Court confirmed the view already accepted by the Karlsruhe Appeal Court that in producing different packages for different markets and charging different prices, Roche was guided by legitimate marketing considerations. Even if such legitimate marketing decisions objectively create barriers to trade between member states of the European Community, the court said, they could not be described as artificial, and there was nothing in the EEC Treaty to oblige Roche to change its marketing decisions in order to make interstate trade easier.

Shortly afterwards, Glaxo – prosecuting parallel importers over alleged infringement of its copyright on Ventolin – achieved a favourable settlement in the High Court in London. This obliged the parallel importer to disclose a list of all pharmacists to whom the imported product had been supplied in counterfeit cartons. The German appeal court decided similarly in favour of Roche, but the Supreme Court modified this decision and ordered that the list should be given to an independent accountant from whom Roche could inquire whether a particular customer was or was not on it.

The research-based pharmaceutical companies can also feel encouraged by the amendment of the Medicines (Exemption from Licences) (Importation) Order 1978 proposed by the British Government. The amendment should restrict the exemption to importation of small quantities only, and make it necessary for parallel importers to obtain licences.

Although the proposal is presented as an implementation of the policy outlined by the Commission and by the European Court, it will in fact impose a financial burden on parallel importers who bring in relatively small quantities of a large number of products – for each of which they will now have to pay a licence fee – while the authorised agents of the pharmaceutical companies deal in much greater volumes of a smaller number of products. The details of the amendment suggest that it could provide the licensing authority with formidable bureaucratic weapons. Whether these would be used against the parallel importers would probably depend upon the political decision of the minister.

While the pharmaceutical companies seem to be regaining some lost legal ground in the EEC, they are fighting a rearguard action on the wider issues of abusive marketing of drugs. Last month, the WHO adopted in its 37th annual assembly in Geneva, a mandatory resolution urging safeguards for the rational use of drugs. The resolution was prompted by an alliance between the developing countries and Health Action International backed by the International Organisation of Consumer Unions and by the Norwegian Development Agency, Norad.

The resolution was opposed by the U.S., but supported by France, Italy, Switzerland and the UK. Swiss support is not all that surprising if one takes into account the seven-year boycott which Nestlé's suffered over the marketing of its breast-milk substitutes in developing countries.

The Swiss authorities also feel they will have to take some action at home to deprive doctors of the direct financial incentive to prescribe drugs, which they can dispense directly, keeping a discount of about 30 per cent. Proposals are afloat that such dispensing by doctors should only be allowed in localities without a pharmacy.

On the whole the "rational health lobby" is doing well, and an international code on the pricing of essential drugs, "hard sell" and minimum disclosure standards, seems to be in the making. The major drug exporting countries may decide that if you can't beat them it is better to join them.

**Case 102/77, Recueil 1978, p 1139.*
***Federal Supreme Court (BGH), Case I ZA 125/81, Centrafarm v Hoffman-La-Roche, FT Business Law Brief, May 1984, pp 12-13.*

# 'Significant return' provided by office automation investment

BY ALAN CANE IN LONDON

OFFICE automation equipment can provide the most significant return on investment of any capital asset that can be acquired.

This was the common experience of those companies installing or experimenting with office automation, according to Mr Ian McNaught-Davis, managing director of Comshare, who opened the second day of the Financial Times electronic office conference.

**Mr John Lenton,** divisional vice-president for American Express Europe agreed. Amex had needed 70 typists to deal with the 70,000 letters a month the company generated. Using stand alone word processors – computerised video typewriters dedicated to each typist – the number was cut to just over 43.

Using a shared logic system – a number of video typewriters linked to a central controller, memory and printers – Amex found it could handle 125,000 pieces of mail a month with just over 17 people: "That is probably the best return on investment you can imagine."

But he added a number of warnings: "Do not underestimate the executive's aversion to technology. Do not underestimate the need for training and the resistance to change. If you are installing electronic mail systems, beware of the junk with which people can clog the system. Last, do not forget about people; the electronic office is all about helping people to be more efficient."

**Dr Francis Duffy,** a partner in architectural consultants DEGW and a principal author of a major study – Orbit – published last year which damned most office buildings for their inability to cope with the physical demands of office automation, warned that it was time to rethink the office.

He said: "So strongly has the model office building, which derives from Chicago in the 1890s and which was perfected in the 1940s imposed itself on our imagination

FINANCIAL TIMES
**The Electronic Office**
CONFERENCE

that it is almost impossible to escape from the imagery of a former era of office organisation and office technology."

He went on: "As organisational structures change, as office technology is revolutionised, as building technology advances, and above all as the idea of space management (or design through time) takes hold, then it is essential to rethink the office."

The Bank of England and the Neighbourhood Work Centre were examples of different ways of accommodating the office, and escaping the tyranny of the Chicago model.

**Professor Enid Mumford** of the Manchester Business School and one of the UK's most respected authorities on the sociology of the workplace emphasized the importance of a group she calls the design team in introducing new technology.

Recruited from all interest groups in the office, the role of the team is to anaylse the efficiency and job satisfaction needs of the office, to set business and human objectives directed at improving efficiency and job satisfaction and translating these into a set of precise requirements for the new system.

In addition, she said, there should be a steering group to set guidelines and a facilitator to help with the design task.

**Mr Michael O'Connor,** head of information technology strategies at the Central Computer and Telecommunications Agency, the Government's adviser on computing matters, gave the conclusions of a study of office automation in seven government departments.

For suppliers, he said, the chief lesson was that their systems must be reliable. In all the departments the reaction to the new technology had been favourable despite implementation problems. Well considered and documented procedures were essential.

He said that the success of new systems was related to senior management commitment, good planning and the provision of clear objectives and priorities. "Senior management should only become users of the new systems when it has been properly established and the information base implemented."

He concluded: "There is a strong need for users to have stable, reliable systems with good facilities that meet their requirements. When systems have met those requirements, they have been received enthusiastically and have been of high potential benefit.

His views were underlined by figures presented by **Mr Hirokazu Negishi,** senior research scientist at Canon of Japan. He said that the IBM Personal Computer, the de facto office workstation worldwide, had little success in Japan because it could not handle the Japanese language. Now that Japanese language word processors were available, sales of these devices and facsimile machines were "rocketing sky high."

In Japan, he said, that local area networking and teleconferencing were still in an embryonic state. Teletex (electronic mail) would lose out to facsimile because of language structure.

"Intelligent" office automation developments would be mainstream soon but would need special software. This was, he believes, a suitable area for research collaboration between Europe and Japan.

# U.S. seeks re-export guarantees from Spain

By David White in Madrid

THE U.S. is threatening to limit certain high-technology exports to Spain unless it receives guarantees they will not be re-exported to Communist-bloc countries.

U.S. concern about the re-sale by Spain of so-called dual-use items, which may have military as well as civil applications, was voiced at a senior-level meeting here this week.

Mr Denis Lamb, deputy assistant secretary for economic and business affairs at the U.S. State Department, warned yesterday that transfers of this kind were unlikely to increase if Spain failed to provide "adequate assurances."

He said that no agreement on a bilateral understanding had been reached at the meeting.

The U.S. has made clear its desire to bring Spain into the Cocom organisation, which vets "sensitive" exports to the Eastern bloc.

However, Spanish officials rule out membership of Cocom at least until the question of Madrid's Nato status is settled. Spain, which joined Nato two years ago but has not become integrated into the joint military structure, is the only member of the Alliance not to adhere to Cocom.

The Socialist Government has promised to put the Nato issue to a referendum, next year at the earliest.

Mr Lamb headed the U.S. delegation at a meeting of the two countries' joint economic committee here on Monday and Tuesday.

These talks, which coincided with discussions between defence officials, were in preparation for a meeting of the U.S.-Spanish Council in Madrid next week.

The council was created to supervise the implementation of the friendship and co-operation agreement between Spain and the U.S., under the joint chairmanship of the U.S. secretary of state and the Spanish foreign minister. Next week's talks, however, will be at permanent representative level, headed by Mr Thomas Enders, the U.S. ambassador, and Sr Gonzalo Puento, Spanish Foreign Ministry under secretary. A U.S. Embassy spokesman would not comment on whether the technology transfer question would be raised again at the meeting.

Mr Lamb told journalists that no date had been set for further specific talks on the issue.

Spanish officials firmly reject suggestions that Spain is active in passing on militarily sensitive products and are seeking clarification of what items are considered "dual-use." In particular, they are resisting what they view as U.S. pressure to restrict trade with Cuba.

A specific instance understood to have been raised by the Americans was a recent deal by the Madrid company, Piher Electrica, for a television plant in Cuba.

Mr Lamb said yesterday that Washington was seeking a formula for supervising the transfer of dual-use products.

# Bolivia, Brazil plan to fill the Andean rail gap

By Robert del Quiaro, recently in La Paz

BOLIVIA and Brazil are planning an ambitious rail link that could lead to a trans-Andean rail system linking major seaports on the Atlantic and Pacific Oceans.

The difficulties in achieving it are immense but, if completed, it would not only facilitate trade within South America but also provide a short-cut between Brazil and its trading partners in Japan.

The shortage of development capital in Brazil and Bolivia, dilapidation of the existing rail systems, the lack of homogeneous customs regulations and the residue of a century of bad relations between Bolivia and its Pacific neighbour, Chile, all militate against success. Nevertheless, discussions and plans are being pushed ahead with greater vigour at present.

The Bolivian and Brazilian commissions dealing with the project met last month to evaluate technical data from ENFE, the Bolivian state railway network, as part of their current feasibility study.

The gap in what would be a railway system between the Chilean ports of Antofagasta and Arica on the Pacific, and the Brazilian port of Santos on the Atlantic, consists of 390 km (240 miles) of mainly mountainous terrain between Aiquile and Santa Cruz in Bolivia.

According to the timetable laid down by the commissions, preliminary design and engineering studies should be finished in May 1986, and the whole project be ready to enter the construction stage in 1987.


Until then Bolivia and Brazil will probably be able to develop the project from their own resources—but finance from elsewhere would be needed before the project could go any further.

Sr Luis Vidal, chairman of the Bolivian commission, said that the Government in La Paz would be seeking about $400m (£286m) towards the construction cost, at current prices of about $1.2m per km of line to be built. There are 390 km in the gap so a total cost of about $470m is envisaged.

This includes stations and systems of communication and traffic control.

The advantages of extra revenue for the three ports and the Bolivian railways are clear. But, apart from Bolivia, Brazil and Chile, Japanese interests are also keen on the project.

The complete railway would move Brazilian goods — especially agricultural produce from in and around São Paulo state—to a Pacific port and thus avoid the long sea trip along the Brazilian coast to the Panama Canal or around Cape Horn.

It would also transport Japanese exports to the industrial heartland of Brazil—already an important Japanese market.

So Japan is seen by the commissions as a likely source of finance for the scheme. The World Bank and the Inter-American Development Bank will also be approached.

It is clear, though, that the Bolivian rail system could have to improve for the rail link to be effective. The existing Brazilian leg of the link—from Santos via São Paulo city to Corumba on the Bolivian frontier—functions well enough. But the metre-gauge Bolivian network has to cope with natural disasters and extrordinarily difficult terrain, as well as lack of finance, equipment and skilled personnel. Already this year, various stretches of the existing lines have been out of action for weeks at a time because of damage caused by persistent heavy rains.

Apart from the 240 miles of new line, particular attention would have to be paid to upgrading the permanent way, and to developing junctions at Oruro and Uyuni. The latter already handles much traffic in Bolivian mineral trains travelling to and from Antofagasta.

Besides, Chilean authorities would need to expand facilities at Antofagasta and Arica, to take full advantage of a completed rail link with the Atlantic.

# U.S. reviews 34 joint ventures with China

WASHINGTON — The U.S. is reviewing 34 joint venture projects with China in the electronic and manufacturing areas, say officials from Overseas Private Investment Corporation (Opic).

The agency, which facilitates the flow of U.S. capital to friendly countries, said yesterday the projects would be discussed in detail in December at a meeting of U.S. businessmen and Chinese officials sponsored by Opic and China's Ministry of Foreign Economic Relations and Trade.

"For the purposes of the mission, the Chinese have identified 34 joint venture projects, primarily in the electronics and manufacturing areas, for which U.S. investors are being sought," the officials told a House of Representatives sub-committee.

The subcommittee is examining U.S. relations with China following a recent state visit by President Ronald Reagan to Peking.

Earlier yesterday, Chinese Premier Zhao Ziyang, speaking in Brussels, had said his country was eager for increased economic and trading ties with the West.

Reuter

# Irish attract industrial investments from 10 overseas companies

TEN COMPANIES from the U.S., Continental Europe and Japan and Hong Kong are either set to undertake new investment programmes in Ireland or are expanding existing operations, Our Trade Staff reports.

The companies' activities range from high-technology electronics, to chemical and pharmaceutical and specialised clothing and tobacco goods manufacture.

Ireland's Industrial Development Authority yesterday announced that Bourns Electronics of California had been given grant-aid approval that will enable it to expand production of electronic trimmer goods at its base in the city of Cork. This will enable it to nearly double its staff of 220 employees.

The IDA also says that three European chemical/pharmaceutical companies will expand operations in the Cork area. The expansions involve a total investment of £5.3m.

Under the expansions, Henkel, a German chemical company, will invest £2.4m to increase production of liquid ion-exchange reagents—used in mining for the extraction of copper and other minerals from various grades of ore. Henkel will also use Cork as a base for production of cold wash detergents with production to start later this year.

Gaeleo, a Swedish company, will expand its production of bulk pharmaceutical goods. Its main export market is the U.S.

Irish Fher Laboratories, a subsidiary of Boehringer of Germany, will also expand pharmaceutical production and plans to double output in four years.

A new company, West-Tec of the Netherlands, is being set up to produce a range of communications products, including a PXB 1000 portable pocket teler.

Other Dutch companies amplifying operations with IDA help are Hofnar, a cigar products manufacturing company, and Robey Sport, which is investing £200,000 at its Waterford factory to double its output of sports wear.

Far Eastern concerns setting up in Ireland are Sawafuji Dynameca of Japan, to set up an audio transmission device plant in Cork; Nippon Ceramic of Japan to make piezo ceramic discs in Dublin and Shing Cheong Electronics of Hong Kong, which will manufacture a range of telecommunications and related equipment at a plant near Dublin.

Brendan Keenan in Dublin adds: Irish tourism is hoping for a bumper season after the disappointments of last year. Officials hope total earnings will reach I£1bn for the first time this year. Half the revenue is likely to come from overseas visitors, equivalent to 10 per cent of Irish earnings from merchandise exports.

# BP takes stake in Angolan offshore field

By Quentin Peel, Africa Editor

BRITISH PEROLEUM is to take a 10 per cent participation in an offshore oil exploration block in Angola, the first British oil company to take a stake in the fastest-growing African oil producer.

Details of the move were announced in Luanda during a trade mission of British oil industry executives, hoping to promote greater exports to a market hitherto dominated by U.S., French and Italian contractors.

The BP interest is in a consortium including Sonangol, the Angolan state oil company, Braspetro of Brazil and Petrofina of Belgium, formed to explore an offshore block north of Luanda, known as Block 4.

Oil is already being produced in a neighbouring block to the north by Texaco, and Elf is also coming into production in Block 3 to the north-west.

Members of the British mission, which included 22 companies, believe that BP's interest could help them break into a potentially lucrative market, where as much as $2.5bn could be spent on development by the end of the decade.

The mission, led by Mr Tom King, general manager of UK operations for Burmah Oil Exploration, and former head of Gulf Oil's production in Cabinda, the main source of Angolan oil, gave a two-day seminar in Luanda, jointly presented with the Angolan Ministry of Petroleum and Sonangol.

# World ship order books decline in first quarter

BY ANDREW FISHER, SHIPPING CORRESPONDENT

WORLD SHIPBUILDING order books dropped again in the first quarter of this year, according to the latest figures from Lloyd's Register of Shipping. At the end of March, the order total was 31.4m gross registered tons.

This was a drop from the 32.6m tons recorded for the last quarter of 1983, but still well up on the 26.6m tons at the close of last year's first quarter.

The 1983 order books benefited from a surge of orders for bulk carriers—much of it in Japan from domestic owners—as prices remained low and world trade seemed set to recover.

Japan, still far and away the world's biggest builder of ships, saw its order backlog ease in the first quarter compared with the final three months of 1983 by 383,000 tons to 13.6m tons.

But South Korea, which has propelled itself to the number two position, enjoyed a 98,000 ton rise to 4.7m in its order total. Brazil followed, with a 116,000 ton rise to 1.6m tons.

Japan is currently considering ways of rationalising its shipbuilding industry. Mr Zenji Umeda, president of the Japan Ship Exporters' Association, said the industry was "surrounded by very severe cimcumstances."

Speaking this week at the Posidonia shipping exhibition in Greece, he said the Japanese industry intended to work out measures for the "long-term stabilisation of the shipbuilding industry."

He did not specify what this might involve. But he also called on other shipbuilding countries to take action to try to even out the supply and demand imbalance.

European shipbuilding countries have expressed considerable aggravation in recent years over the low prices quoted in both Japanese and South Korean yards to win new business.

# Chinese bank makes loan to Hong Kong Mass Transit

BY DAVID DODWELL IN HONG KONG

CHINA DEVELOPMENT Finance, the merchant banking arm of the Bank of China, has lent HK$300m (£27.5m) to Hong Kong's Mass Transit Railway Corporation. The two-year loan, the first Chinese loan to a public utility in the territory, will be used to meet general working capital needs.

The Mass Transit Railway Corporation is Hong Kong's largest single borrower. It is estimated that after completion in 1986 of the controversial Island Line at a cost after interest charges of about HK$13bn, it will have debts totalling HK$20bn. Losses in 1983 after depreciation, interest and finance charges, amounted to HK$535m. Extraordinary losses of a further HK$215m, resulting from exchange translation differences, took the total loss for the year to HK$750m.

China Development Finance would not disclose the interest that will be payable on the loan. It was set up in Hong Kong five years ago, and is a member of the tender panel for the HK$600m commercial paper borrowing facility for the MTR Corporation

The loan, which provides significant psychological backing as well as material support, will no doubt ease the corporation's debt repayment burden. This amounted to HK$788m in 1983.

# OVERSEAS NEWS

## Iraq claims air power superiority

By Tony Walker in Baghdad

IRAQ'S air superiority over Iran is becoming more pronounced, according to Western military observers here.

Iraqi air crew are getting assistance from French technicians which may explain the improvement in their performance in recent months.

Iraq is using French Super Etendard bombers from which to fire Exocet missiles at targets in the Gulf and has Mirage F-1s as well as Mig 23s and 25s to carry out cross-order raids.

In its latest military communique, Iraq claimed "absolute superiority" for its air force and said it was playing "an active role in *shifting* the balance of power in Iraq's favour." A measure of Baghdad's confidence is its rejection of an Algerian mediation effort as biased towards Iran.

A Western military attache in Baghdad said there was little risk to Iraqi air activities in the Gulf, and that Iraq had the capacity to inflict severe damage in Kharg Island using its combat aircraft. He said it was unlikely Baghdad yet had Soviet-supplied SS12s which have the accuracy and range to reach Kharg from land-based positions.

Meanwhile, Iraq has reported exchanges of artillery fire on its border near the southern port city of Basra, but there appears a lull in the fighting and there are no reports of a large scale Iranian offensive on the verge of starting.

The Iraqi news agency reported last night that President Saddam Hussein had telephone King Fahd of Saudi Arabia to express "solidarity" after Saudi fighters downed an *aircraft intruding into Saudi* Arabian air space.

Western diplomats say the Iraqis are likely to be quietly pleased at the latest developments in the Gulf because it fits in with their efforts to internationalise the conflict. But one senior Western diplomat in Baghdad described the shooting of an Iranian aircraft as a most serious development.

The concern is that Iran may be provoked to lash out at third countries in the Gulf. It will not have been overlooked in Tehran that the Americans assisted in the shooting down of the Iranian plane or planes.

AP adds from Ankara: The Turkish Government has barred Turkish ships from sailing to Kharg Island, the state radio reported yesterday.

**John Elliott,** in New Delhi, sets the scene for the battle over Amritsar's Golden Temple

## Heavy fire as Indian army treads on holy ground

FOUR HUNDRED years ago, an early *Sikh guru sat on the bank* of a large pool in a township midway between the northern plains of the River Indus and the Himalayas and wrote a holy book. The pool was called Amritsar—the pool of nectar—and in it the guru, Arjun, built an island temple called the Harimandir, which means *Temple of God.*

That is the Golden Temple, now the chief shrine and headquarters of the Sikh religious order, where the Indian army has reluctantly fought an increasingly heavy gun and mortar battle during the past three days in an attempt to clear out 250 leading Sikh terrorists.

The *aim* of the army—led by a Sikh general—has been to arrest, or, if necessary, kill, the terrorists while trying to do no significant damage to the Temple

If the Temple were hit or desecrated in a gun battle, the Government fears an immediate and violent reaction from devout rural Sikhs that could sour *historically* good communal relations for many years.

But what actually constitutes the Temple is a matter of controversy. This makes it difficult for the Government to counter militant Sikh rumours, described by the Home Ministry as "a device to excite people," about how far the army has encroached on holy ground.

Arjun's small, two-storeyed Golden Temple is the focal point of a large complex several hundred yards square, surrounded on the outside by the narrow street and market places of Amritsar's bazaars. It includes buildings of varying degrees of sanctity, which militant Sikhs consider their Vatican. The Temple can be approached only along a narrow walkway.

*Leonard Burt*

The most holy building is the temple itself—now called the Harminder Sahib. With its surrounding white-marbled cloisters and shimmering pool, this is one of the most striking sights in north India. Sikhs in brightly coloured robes, sashes and turbans usually stroll and talk, parading with spears, *swords and guns,* while Sikh music, prayers, and Arjun's "bible" are broadcast constantly over loudspeakers from the main temple.

The water in the pool—or tank, as it is known in a Sikh temple—is regarded as having the same cleansing religious significance as Hindus give to the River Ganges.

The next most holy building is the Akal Takht—the seat of immortal power—which is the headquarters of the religion's official leaders, who wield temporal and spiritual authority over 11m Sikhs. Its rooms are also occupied by leaders of some of the eight militant groups locted in the complex, including Sant Jarnail Singh Bhindranwale, the leading terrorist.

These are the areas—the Temple, cloisters and Akal Takht—where one cannot wear shoes, even if, as visitors painfully discover, that means feet getting burned on the sun-drenched marble pavement. Shoes cannot even be carried in a bag or pocket because that, too, would defile the sanctuary.

Mr Manmohan Wali, New Delhi Home Secretary, has said that this definition of where shoes are not allowed illustrates the limits of the true holy ground. So the Government does not believe it should have caused much offence by going yesterday into other buildings—previously regarded as part of the no-go area—where shoes may be worn but heads have to be covered.

Most of these are elegant, four-storeyed, white-balconied buildings, located along a short cobbled road, called the Bazar Sarai Guru Ram Das. They include the offices of the Akali Dal, the Sikh political party, which Sant Harchand Singh Longowal, its leader, voluntarily vacated yesterday.

In between this road and the inner area is an intermediate strip, which includes a large canteen building, where, until a few days ago, Bhindranwale used to hold court on the roof every morning before retiring back to his Akal Takht hide-away.

As soon as it moved into Amritsar last Saturday, the army took up positions on roads and in high buildings as close as 25 yards from the outer perimeter of the complex.

The terrorists were dug in behind sandbags and hastily-raised brick parapets in the higher perimeter buildings, and on a tall water tower, which has been at the centre of the shelling.

The terrorists are believed to have been trained inside the Temple by a former Indian Army major general, a Sikh who joined the extremists after being cashiered for corruption a couple of years ago.

The army's operations have been directed by Lt General Ranjt Singh Dayal, a 55-year-old Sikh born in Burma, who is chief of India's Western Army command. Now Colonel of the crack Rajput Regiment, he led a famous attack at Haji Pir during the 1965 Indo-Pakistan war.

Gen Dayal was honoured by the main Sikh Akali Dal party after the 1965 war, and leading Sikhs assumed the army would not enter the Temple area under his command. It was reported yesterday. that Sant Lonowal specifically asked him to stay out as a Sikh soldier.

He has the difficult job, as a senior officer in an army heavily manned by fellow-Sikhs, of trying both to clean out and protect his religion's most sacred shrine in a city which, coincidentally, is famous for *another historic army action.*

In 1919, the British Army massacred about 1,500 Sikhs and Hindus in what is now a small public park within sight of the Temple. That massacre, widely regarded as the most horrific episode during Britain's rule of India, helped to pave the way for the movement that eventually led to the independence of India. Now, Mrs Indira Gandhi, Indian Prime Minister, is defending her country from a terrorist movement which could eventually become a significant separatist force if it is not dealt with firmly.

## U.S. bases in Australia 'potential priority targets'

BY MICHAEL THOMPSON-NOEL IN SYDNEY

THE Australian Government admitted yesterday that, in certain circumstances, U.S. communications bases in Australia could be regarded as "very high priority nuclear targets."

The description was that of Mr Bill Hayden, the Foreign Minister. It followed a detailed statement in Parliament by the Prime Minister, Mr Bob Hawke, on the role of U.S. bases at Pine Gap, near Alice Springs, North West Cape, in Western Australia, and Nurrungar, in South Australia.

Mr Hawke insisted the bases had no combat role, but said certain of their functions had to remain confidential. Their prime use is for monitoring missile launches and nuclear explosions, and for communicating with U.S. ships

The bases are resented by Left-wing elements of the ruling Australian Labor Party, and by the Australian Democrats. Mr Hawke insisted that the bases were "jointly managed and operated by the Australian and American governments."

## Serious decline in Indonesia investment

INDONESIA IS becoming concerned about a serious decline in investment, both from foreign and domestic sources. The investment *cordinating* board, responsible for approving all new investments, says that in the first quarter of this year only seven domestic investment projects had been approved with a total value of just over 22bn rupiah ($22m), Kieran Cooke writes from Jakarta.

In the same period last year 47 domestic investment projects were approved, valued at more than $185m.

## Further Manila oil price rise

BY EMILIA TAGAZA IN MANILA

THE PHILIPPINE Government yesterday ordered a new round of price increases for petroleum products to cover the adjustment in the peso's exchange rate, and the additional import duty announced on Tuesday. This is the second oil price increase in two months.

The price increases are part of a package of austerity measures to set off an economic recovery programme being negotiated with the International Monetary Fund.

Among the conditions attached to the SDr 615m (£461m) IMF standby credit are a more flexible peso exchange rate, a reduction in the Government budget deficit and control in domestic credit and liquidity. The IMF credit will pave the way for an international rescue package that includes a re-scheduling of some $9bn in debts and fresh loans of about $3bn from commercial and official sources.

Yesterday's oil price increases are a big jump from last month's average increase of 8 per cent. The price of premium fuel has risen 20.2 per cent to Pesos 8.28 a litre (0.46 U.S. cents at the effective exchange rate). Diesel fuel had the biggest increase, by 26.7 per cent to Pesos 6.20 a litre.

Import duties were further raised from 8 to 10 per cent, after having been increased only two months ago from 5 to 8 per cent. *Other revenue*-raising taxes introduced were a special excise tax on the foreign exchange sale by banks and windfall tax on exports.

Apart from the new taxes, President Ferdinand Marcos' "stabilisation package" also allowed an upward float of the peso's exchange rate. The package also includes the reduction in government spending this year by 5 per cent

## Japan rail job cuts planned

JAPAN National Railways has announced outline proposals to *trim 30,000 "surplus"* jobs from its 350,000 strong workforce. The publicly-owned company faces continuing losses and rising debts, and is now thought unlikely to achieve financial targets set under its 1981-85 five-year plan, Robert Cottrell writes from Tokyo.

The company is considering an early retirement scheme. It may also seek to lay off workers at reduced pay before retirement age (56), and to transfer some "surplus" workers to other jobs, or associated companies.

According to current projections, the company faces a deficit next year of Y1.7 trillion *(£5.3bn)* after interest payments, to cover the shortfall, the company is investigating the sale or exploitation of its property portfolio.

The company operates its trunk line services at a profit, but is losing money on local services, and also faces heavy interest payments on construction of new "bullet-train" *trunk routes.*

## N. Zealand oil dispute Bill

THE NEW ZEALAND Government yesterday introduced a Bill which would require the Marsden Point Oil Refinery Company and 3,000 workers to go back to work on a refinery expansion construction project pending arbitration, Dai Hayward writes from Wellington.

The company sacked more than 2,000 when a section of the workforce refused to work with eight scaffolders who had continued working during a previous dispute. The scaffolders had been taken off the job after the earlier dispute, but won a high court decision supporting their right to continue working on the project.

## Beirut sniper wounds observer

A FRENCH truce observer was killed and another wounded by sniper fire yesterday as Parliament pursued its debate on the policies of the new Government of Prime Minister Rashid Karami, Nora Boustany writes from Beirut.

The observers, members of an 80-man French supervision team reporting ceasefire violations, were hit close to the Beirut port at the tip of the mid-city green-line separating Christian and Moslem Beirut.

# International Appointments

## Paris

### Merchant Banker
Foreign bank in Paris seeks an experienced merchant banker to develop this side of its business. A successful track record in the classical activities of a merchant bank and fluent French essential.

### Capital Markets Traders
Two traders sought to expand this French bank's small, dynamic team. Experience of both money market and capital markets trading essential, as are fluent French and a strong team spirit.

### Treasury Manager
European bank seeks experienced foreign exchange and treasury manager for its French subsidiary to manage a small team, handle all day-to-day trading and develop the domestic treasury activities.

CONTACT: Christopher Evans

## Frankfurt

### Investment Analyst
US bank needs young graduate with 3-5 years relevant experience and fluent German to join its small capital markets team, to undertake specific company analyses, research and the publication of reports in English.

### Fund Manager
Major German bank seeks to increase its international investment activity by taking on a very senior fund manager with experience of the international capital markets. Attractive career opportunities and highly competitive salary offered.

### Deputy Manager, (Systems Development)
The Operations Manager of a prime international bank seeks an experienced Systems and DP Operator to help run the data centre of the bank. Good knowledge of control and security aspects and a proven experience of banking systems is required.

CONTACT: Laila Rafique

## Bahrain

### Auditor
Qualified banker with minimum 5 years international banking operations and/or international bank auditing, to carry out audits in all locations of bank's activities. Fluency in Arabic would be advantageous.

### Business Development
Graduate with 7/10 years minimum international banking credit/marketing experience with strong background in financial analysis to market whole package of bank's financial services. Fluency in Arabic an advantage.

### F.R.N. Trader
Trader with minimum two years making markets in floating rate notes capable of handling a large book of F.R.N.'s and other interest bearing paper.

CONTACT: Roy Webb

## Kuwait

### Forex Dealers
Senior foreign exchange dealers sought with minimum of five years experience with a good name. Knowledge of money market and other forward instruments an advantage.

### Operations Manager
Senior operations executive, preferably with fluent Arabic, required for first class financial institution. American bank training preferred but strength of character and wide operational skills, including EDP, more important.

### Financial Controller
Qualified Accountant with minimum five years banking experience and training within good firm required to handle all aspects of budgeting, costing and financial reporting.

CONTACT: Robert Watsham

170 BISHOPSGATE, LONDON EC2M 4LX. TELEPHONE: 01-623 1266

**Jonathan Wren International Ltd**
Banking Consultants

---

APICORP
الشركة العربية للاستثمارات البترولية

APICORP is an inter-Arab Corporation established by the member states of OAPEC to finance and invest in petroleum sector projects. Total assets are approximately $700 million.

The corporation based in Al-Khobar, Saudi Arabia, would like to make the following appointment:

## SENIOR TREASURY OFFICER
### c $50,000 tax free, payable in Saudi Riyals

Our Client's Treasury Division is concerned with the following activities:
- Ensuring proper funding of the Corporation's assets and coverage of its foreign exchange position.
- Dealing in the deposit markets in all major and Gulf currencies.
- Foreign exchange dealing, spot & forward, in major currencies.
- Managing the sizeable securities portfolio of the Corporation.

Candidates, probably in their 30's, will be seasoned international bankers or corporate treasury officers, possessing the following:
- Graduate or equivalent qualification.
- Considerable experience in funding in instruments & techniques in the international markets.
- Sound knowledge of deposit taking and dealing.
- Strong background in F X trading & hedging.
- A good knowledge of bond portfolio management.

The successful candidate, reporting to the Treasurer, will work together with highly qualified and experienced colleagues of different nationalities. He will be offered an exciting and rewarding opportunity to assist in managing the resources of the Corporation.

The appointment will be for an initial 2 year contract, renewable. In addition to the substantial tax free salary, 32 working days annual leave plus public holidays, there is a comprehensive benefits package which includes free fully furnished air conditioned family accommodation, transportation and education allowances, medicare, relocation expenses and contributory pension scheme.

**Contact Norman Philpot, the Corporation's Adviser, in confidence on 01-248-3812**

**NPA Middle East Recruitment**
60 Cheapside · London EC2 · Telephone 01-248 3812 3 4 5
Management Consultants · Executive Search

---

# International Merchant Banking Hong Kong

## Securities distribution and trading

Our client, a major international bank with group assets exceeding US$50 billion, is expanding its securities activities in the Asia-Pacific region.

The bank has a strong record of success in regional merchant banking and is a recognised market leader. In order to capitalise on future opportunities, it is now planning to add one or more securities executives to its merchant banking establishment in Hong Kong.

Applications are now invited from candidates with the following attributes and background:
- Experience in securities sales and/or trading. (Candidates with money market trading experience who are interested in moving into the securities business are also invited to apply.)
- Fluent in English; knowledge of Japanese an advantage.
- Probably aged between 25 and 35.

These are permanent positions, and generous starting salaries can be negotiated. A first-class benefits package is also available, and includes low-cost housing and personal loans.

Please send comprehensive career details quoting Ref: HK1952/EU on the envelope. Replies will be forwarded direct and in confidence to our client unless addressed to our Security Manager listing companies to which they may not to sent.

**PA Personnel Services**

12th Floor, Shell House, 24 Queen's Road, Central, Hong Kong.
*Tel: Hong Kong 247061. Telex: 73375.*

---

# Merchant Banking

**Saudi Arabia — £45,000 net, equivalent**

An established and well-known financial institution, head-quartered in Riyadh, with blue chip shareholders seeks a Manager for its expanding International Division. The successful candidate will report to the Managing Director and will manage an experienced team of executives. The role will encompass both marketing and execution of a wide range of financing packages with involvement in the institution's wide range of corporate advisory activities and services.

Candidates should be energetic and highly motivated and preferably in their mid 30's. They should have experience of packaging significant non-recourse and limited recourse loans and have a broad range of merchant banking skills. Middle East exposure would be an advantage.

Salary negotiable around £45,000 net, equivalent plus an excellent standard of free accommodation, leave passage benefits, etc. Good medium term career development prospects in a major international group.

Please write with full details. These will be forwarded direct to our client. List separately any companies to whom your application should not be sent. Peter Evans ref. B.1666.

**HAY-MSL Selection and Advertising Limited,**
**52 Grosvenor Gardens, London SW1W 0AW.**

HAY-MSL
middle east

---

# FINANCIAL ANALYST

Leading Japanese Research Institute seeks analyst for two-year contract in Tokyo. This could take the form of two-year secondment if agreeable to current employer.

Applicants should be aged between mid-twenties and mid-thirties and have had some practical experience in a commercial/financial environment.

A knowledge of the Australian Stock Market and major companies would be helpful but is not essential.

There will be opportunity for publishing reports and occasional travel to Australia.

Remuneration depends on age and experience but will be commensurate with the responsibility of the position.

*Please write with full c.v. to:*
**Miss Ruth Schneider (F.A.2)**
**European Communications Ltd.**
**Kappa Delta House**
**4 Crowland Terrace**
**London N1 3LP**

---

## EXPERIENCED INTERNATIONAL *FINANCIAL* SALES PERSON

**MARKET LEADER**

The World's finest international financial magazine requires a top calibre international financial magazine sales person.

The successful candidate will be expected to work in a fast moving and ever changing environment.

UK and Overseas contacts in the financial community at the highest level are essential.

The vacancy has arisen due to the retirement of one of the best in this field.

If you feel you have the experience, drive and ambition and wish to earn an exceptionally high salary write in confidence to

Box No. A8629

The employees of the company are aware of this advertisement.

---

# Currency Risk Management in Australia

Schroder, Darling and Company Limited, the Australian associate of the Schroder Group, has established a successful and growing business in advising Australian and New Zealand clients on the management of currency risk.

*The Company is now seeking to employ a further* senior adviser, who will be responsible directly to the head of the advisory team for developing new advisory relationships and managing existing accounts. The advisory team forms part of the Company's Capital Markets Division, which is responsible for arranging such transactions as interest rate and currency swaps and offshore borrowings.

Following the float of the Australian dollar and the effective elimination of exchange controls, the position will offer an outstanding opportunity for applicants of innovative and entrepreneurial style capable of responding to challenge.

*Applicants should have a demonstrable track* record of advising clients at senior level. Experience of related capital markets transactions will be essential. The salary and position will reflect the high demands asked of the successful applicant. The post will be based in Sydney, Australia.

Interviews will be held in London in the week beginning 18th June, 1984.

Applications should be directed in the first instance to: Mr. John R. Lambert, Head of Staff and Administration, J. Henry Schroder Wagg & Co. Limited, 120 Cheapside, London EC2V 6DS.

**Schroders**

---

# Foreign Exchange Dealers
## Scandinavia

**Our client is one of America's leading banks providing a wide range of international banking services through its London offices and a network of offices world wide. Business growth and expansion has generated a need to currently seek 2 Foreign Exchange Dealers to help satisfy these demands.**

You will need to have 3–4 years experience in both the Interbank and Corporate markets. The initial assignment would be at their London Branch for 6–9 months, followed by a permanent position in a new subsidiary to be opened in Scandinavia during 1985. A good working knowledge of Scandinavian languages is desirable.

Both these positions are open to men and women and offer job security in an environment providing excellent career development, a policy of internal promotion whenever possible and growth potential. There is a very attractive remuneration package with excellent bank benefits including relocation expenses.

Applicants should send full details of education, experience and current remuneration, listing separately companies to whom your application should not be forwarded to Mr. Martin J. Piper,

**Grey Recruitment Advertising,**
12 Conduit Street, London W1R 9TG.
A Division of Grey Advertising Limited

---

# Banker
## International Finance

We are looking for an experienced investment banker to take up a position of responsibility in our international business.

Working largely independently, the successful applicant will assist an international clientele on all questions of financing, including new issues, share placements, stock exchange listings and related matters.

Candidates will offer an academic qualification in law or business administration, have several years practical banking experience in lending or securities business, and, where possible, also have sound knowledge in financial and securitie analysis. A command of English and German is essential.

This is a responsible post which offers good scope for advancement.

Applications, accompanied by a curriculum vitae in table form and copies of your academic certificates and stating your salary expectations and earliest date of entry, should be sent to:

Deutsche Bank AG,
Zentrale/Personal-Abteilung,
Junghofstrasse 5 - 11,

6000 Frankfurt 1
Federal Republic of Germany

**Deutsche Bank**

---

**APPOINTMENTS ADVERTISING ALSO APPEARS TODAY ON PAGES 13, 14, 15, 16, 28, 29, 30, 31, 32, 33, 34**

# The Alfonsins set out to feed the poor

**Jimmy Burns reports on the Argentine President's controversial food programme**

Social justice was one of the key planks in President Raul Alfonsin's electoral platform. But since taking office last December this pledge has had to be counter-balanced by financial orthodoxy. Any move to raise the level of social handouts has risked further complicating negotiations with the International Monetary Fund and the international banking community.

However, a food programme for the needy has begun to be introduced amidst much political controversy. The programme was launched two weeks ago in a Buenos Aires industrial suburb, in an ageing primary school ironically named Villa Diamante (Diamond House).

At the school a local registry was compiled by government, and church officials classified a long queue of badly-dressed, tired looking people pouring in from the streets as members of "families in need"—the wives of the unemployed or low wage earners who live in shanty huts without running water or electricity and whose children are suffering from severe malnutrition.

Some 2.8m Argentines live well below the breadline, according to the Ministry of Social Affairs. This is 10 per cent of the population living in Buenos Aires and northern Argentina—a high percentage in a country with such rich natural resources and ample food producing capacity. The existence of this impoverished section of society makes it difficult for President Alfonsin to accept the kind of tough economic measures being prescribed by the IMF to remedy Argentina's $43bn (£31bn) foreign debt.

The National Food Plan (PAN) is being spearheaded by a central corps of 1,800 social workers, backed by local government officials and volunteers.

Each family entitled to benefit from the PAN receives 40 kilos of food per month. The ration consists of basic items like powdered milk, sugar, rice, beans, cooking oil, tinned beef and flour. Government officials estimate that this ration, which can be increased depending on the size of the family, is equivalent to half the minimum monthly wage.

The opposition Peronist party initially voted in favour of the PAN, but recently rebelled against it, accusing the government of violating its charter, which defines the scheme as "apolitical."

Anger at what some Peronists see as their exclusion from active participation in the food distribution scheme became so intense last week that it nearly upset the joint statement of political collaboration initialled by President Alfonsin and Senora Isabelita Peron, the Peronist leader.

The Peronists, in common with other left-wing parties, have also drawn a negative comparison between the PAN and the emergency welfare work headed by Evita Peron's *social aid foundation* in the late 1940s. They claim that Evita's plan was more effective because it was inspired by the party's militant grass roots as opposed to what they allege is the essentially middle and upper *class paternalism of the ruling* Radical Party.

The PAN has also come under fire from the conservative Right, whose views have been most virulently expressed lately in the pages of the business daily "Ambito Financiero."

On Monday a leading article argued that the PAN represented the worst kind of populism. In spite of President Alfonsin's repeated diatribes against social injustice and the plight of the poor his government has chosen to disburse palliatives to the poor, rather than attack the root cause of poverty. Wouldn't it have been more responsible, Ambito

Sr Fernando Alfonsin, who heads the Argentine National Food Plan

argued, to speed up fiscal reform, introduce a more effective prices and incomes policy, and streamline a comprehensive system of unemployment benefits?

President Alfonsin has placed his 49-year-old brother, *Fernando*, in charge of the programme. Although Sr Fernando Alfonsin has kept a low profile, the appointment has drawn accusations of nepotism. However, others argue that his status gives him direct access to the President on a sensitive issue, cutting out middlemen and avoiding corruption which could befall such a scheme in Argentina.

"This country is only just emerging from administrative chaos and years of total government insensitivity to human needs. What we are doing is fundamentally an act of justice, because every sector of society has the right to live in dignity," says Sr Alfonsin.

He plans to publish quarterly balance sheets showing a breakdown of exactly how much has been spent and who has received it—"we are convinced that if we carry out this plan well it is going to be an example to the world, but if we do it badly it will be used by the opposition as an excuse to *bring us down*," *he adds*.

According to government estimates the two-year PAN will not cost more than $44m, or 0.25 per cent of GDP. Part of this money is being met by donation, but the bulk will be drawn from the available resources of the Ministry of Social Affairs.

A transfer of budgetary allocations away from defence towards health and education is a conscious political decision after years in which successive military governments, and particularly the last regime, have squandered funds in major arms purchases.

The Government hopes that *this is appreciated by the IMF* and that unless there is a measure of social justice, Argentina faces greater political instability which is to no one's benefit.



# Journalist's murder stuns Mexicans

**By David Gardner in Mexico City**

LAST WEEK's assassination of Sr Manuel Buendia, Mexico's most widely read newspaper columnist, has set off a chain of political tremors, not because gun-toting Mexicans are unaccustomed to violence, but because the killing appears to *break all the* rules by which violence is normally exercised.

Sr Buendia specialised in denouncing corruption and the abuse of power, the CIA's activities in Mexico, and the far right, which centres on the Roman Catholic church hierarchy and allied organisations such as the Opus Dei, sectors of private business, and perceived U.S. interference in local affairs.

The cutting edge of this alliance is located either in traditional right-wing parties like the opposition National Action Party (Pan), or in more sinister groups such as the so-called Tecos, a fascist paramilitary organisation, which has virtually taken over the university of Guadalajara.

Investigation into the killing centre on the Tecos, the subject of several recent denunciations by Sr Buendia. As zealots, the Tecos would not necessarily abide by unwritten conventions on discreetly disposing of one's enemies. More than 30 journalists have been murdered in Mexico since 1971 – two more were killed shortly after Sr *Buendia's death*.

But there have been no recent incidents of so brazen an attack on such a public figure as Sr Buendia, whose murder breaks the mould of Mexico's semi-institutionalised violence.

Despite 55 years of unbroken rule by the Institutional Revolutionary Party (PRI), Mexico's stability has been punctuated with outbreaks of repression, normally selective, and accompanied by attempts to integrate dissidence into the political system.

In recent years, the pattern of violence has reverted to sporadic outbreaks, almost always in the provinces, and frequently caused by disputes over land rights or between political and union bosses anxious to safeguard their privileges.

Few such cases are ever resolved in the courts, but the murder of Sr Buendia is likely to be different.

Several officials and commentators believe the attack on Sr Buendia is part of a pattern of events aimed at undermining the 18-month old Government of President Miguel de la Madrid. This chain began, it is argued, with the hurling of two molotov cocktails at the president's balcony during this year's May Day parade. It continued with the Washington Post's publication of allegations by the syndicated columnist Mr Jack Anderson that Sr de la Madrid, then on his first state visit to the U.S., had large sums of money in foreign bank accounts, and culminated in the Buendia murder.

Such links appear fanciful, short of evidence to the contrary. The range of motives adduced to this shadowy conspiracy – a backlash against the administration's "moral *renovation" campaign to stem cor*ruption and revitalise the ruling PRI; an attempt by Washington to pressure Mexico into line on Central America; a push by right-wing business interests for a greater share in power; or even a combination of all three – tend to ignore the fact that Sr Buendia had a formidable list of enemies in his own right.

But the fact that such speculation is enjoying wide currency makes it an element of instability in itself.

# U.S. monthly new car sales soar

**By Paul Taylor in New York**

U.S. NEW CAR sales continued to soar last month fuelled by an unexpeced spurt towards the end of the month which came in spite of higher U.S. interest rates. As a result, sales last month were the highest for the month since 1978.

Total domestic car sales increased by 22.6 per cent to 803,273 compared to the 630,050 new cars sold in May last year. On a seasonally adjusted basis, domestic car sales in May were running at an annual rate of 8.6m units—the highest rate so far this year.

Import sales also increased, by 12.9 per cent to 239,566 *from* 204,093 in the same month last year, making a combined annual rate of 11m units, the highest since January 1980.

New car sales in the last 10 days of the month were aided by dealer incentive programmes and averaged 37,582 cars a day, a 19.1 per cent increase over the same period a year ago.

Both General Motors and Ford registered large sales gains. Excluding imports, GM sales increased by 23.4 per cent to 493,670 while Ford's car sales rose by 25 per cent to 178,000. Chrysler car sales increased by a more modest 8.1 per cent to 94,880.

# Argentina optimistic on agreement for IMF letter of intent

**BY JIMMY BURNS IN BUENOS AIRES**

ARGENTINA yesterday claimed that it had completed a draft letter of intent and it reaffirmed its faith in an early pact with the International Monetary Fund.

According to Sr Adolfo Canitrot, the Under-Secretary for Planning, Argentina's economic targets for the year and the instruments for achieving them were at the centre of intense negotiations yesterday between Sr Bernardo Grinspun, the Economy Minister, and Sr Eduardo Wiesner Duran, the fund's director for the western hemisphere, who arrived here on Tuesday.

Sr Leopoldo Portnoy, the Vice-President of the central bank, said he was "optimistic" that an agreement would be initialled before Sr Raúl Alfonsin, the Argentine President, left on his official visit to Spain next Monday.

Some foreign bank officials here, however, continued to be cautious yesterday. Although Argentine officials have been suggesting that the country's creditors are coming under increasing pressure from the U.S. Government to show flexibility, some bankers hinted that the fund remained reluctant to set a precedent by treating Argentina as a special case.

According to banking sources, the IMF was still resisting Sr Alfonsin's estimate of a high budget deficit of 10 per cent of GDP this year. To reach this figure—down from more than 21 per cent last year—Argentine officials have slashed defence expenditure and reduced subsidies to state companies (fuel and transport prices were increased by more than 25 per cent this week). *They forecast* increased revenue through the implementation of new taxes and a more efficient collection system.

The IMF, however, is understood to be concerned by the *Argentine Government's refusal* to curb salaries substantially in the public sector. They are estimated to have increased by more than 4 per cent in real terms since the beginning of the year.

**Peter Montagnon adds:** International bankers remain very cautious about the speed with which Argentina will agree a definitive letter of intent with the IMF, but the draft is regarded as a step forward in the tortuous negotiations on national economic policy.

Bankers were generally inclined last week to disregard Argentine statements that agreement on a letter of intent was imminent. Now, however, they say that the presence in Buenos Aires of Sr Wiesner, is a sign that serious talks between the two sides have begun at last.

# Banks to reduce interest margins on Mexican debt

**BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT**

MEXICO is to receive a further reduction in interest margins on the multi-year rescheduling which leading creditor banks agreed this week to negotiate.

The reduction would reflect *Mexico's continuing efforts to* adjust its economy in order to continue servicing its $87bn foreign debt. "They've earned that and the banks will give it to them," said Mr William Rhodes, chairman of the banks' negotiating committee on Mexico.

Following talks with Mr Jaques de Larosiere in Philadelphia this week, the banks are now committed to an arrangement that would reschedule Mexican debt.

● Mr Paul Volcker, chairman of the Federal Reserve Board, hailed the Mexican package as a "constructive change to a longer term perspective" in handling the less developed countries' debt problem. He said it marked a new phase for countries which are making progress with their economic adjustment and can be a pattern for the future, **David Lascelles** *writes from* **Philadelphia.**

Mr Volcker also said he believed that the U.S. trade deficit was helping less developed countries achieve economic growth by increasing their exports.

# Soviet warning over U.S. sales to China

**BY DAVID BUCHAN, EASTERN EUROPE CORRESPONDENT, IN LONDON**

THE U.S. should beware of selling China advanced technology which could be incorporated into weaponry and of thus creating a military risk to itself as well as the Soviet Union, a Soviet commentator warned yesterday.

Zhang Aiping, China's Defence Minister, is due to visit Washington next week to discuss purchases of defensive military equipment, such as radar and air defence systems, which the U.S. has said it is willing to sell to Peking.

Mr Yuri Dergachov, writing for the Novosti newsagency, warned that the Soviet Union would retaliate against any threat posed by Sino-American defence co-operation. The tone of the article reflected Moscow's cooler mood towards China *since the Soviet First Deputy* Prime Minister, Mr Ivan Arkhipov, cancelled a trip to Peking last month following U.S. President Ronald Reagan's earlier visit there.

But the novel element in Soviet concern is to warn the U.S. that China might acquire high-technology knowhow from the U.S. and then be beyond the control of the U.S.

Mr Dergachov noted that China mainly wants U.S. military knowhow, so as to "eliminate dependence on American spare parts and on deliveries with political strings attached."

This Soviet appeal to the U.S. self-interest in exercising caution on technology sales to China coincides with the views of some in the Reagan Administration, particularly in the Pentagon.

However, after a high-level review of U.S. export controls to China which began to be relaxed in 1980, the Administration decided last year that it would only bar China from getting knowhow and equipment which would raise its military capability to a "new technological level."

But Mr Dergachov went on to warn that China might use modern U.S. computers, microprocessors and nuclear power technology to improve *its intercontinental* ballistic missiles.

# Venezuela plans $1bn of investment projects

**BY JOSEPH MANN IN CARACAS**

OFFICIALS at the Venezuelan Investment Fund – a state-owned financial entity – said the government of President Jaime Lusinchi planned to push ahead with at least four major projects costing more than $1bn.

The projects, postponed five years ago, are likely to include development of bauxite and coal mines, construction of a wood pulp plant and a plant for producing steel alloys.

The Government, which took office in February, is hard-pressed to pay its foreign debt and meet its obligations at home. The projects will be among the first non-petroleum projects to be advanced by the Lusinchi Administration in the hope of saving foreign exchange used to import wood, pulp and bauxite, and to earn export dollars for coal and new steel products.

The projects highest on the government's priority list will be reviewed and probably scaled down. Foreign partners will be sought for some of the projects, and foreign financing will probably be necessary for all four.

The projects most likely to move ahead are:

● Bauxiven: this project originally called for developing a 3m tonnes per year (mtpy) bauxite mine at rich ore deposits (Los Pijiguaos) in Southern Venezuela. It was originally *projected to cost* about $500m.

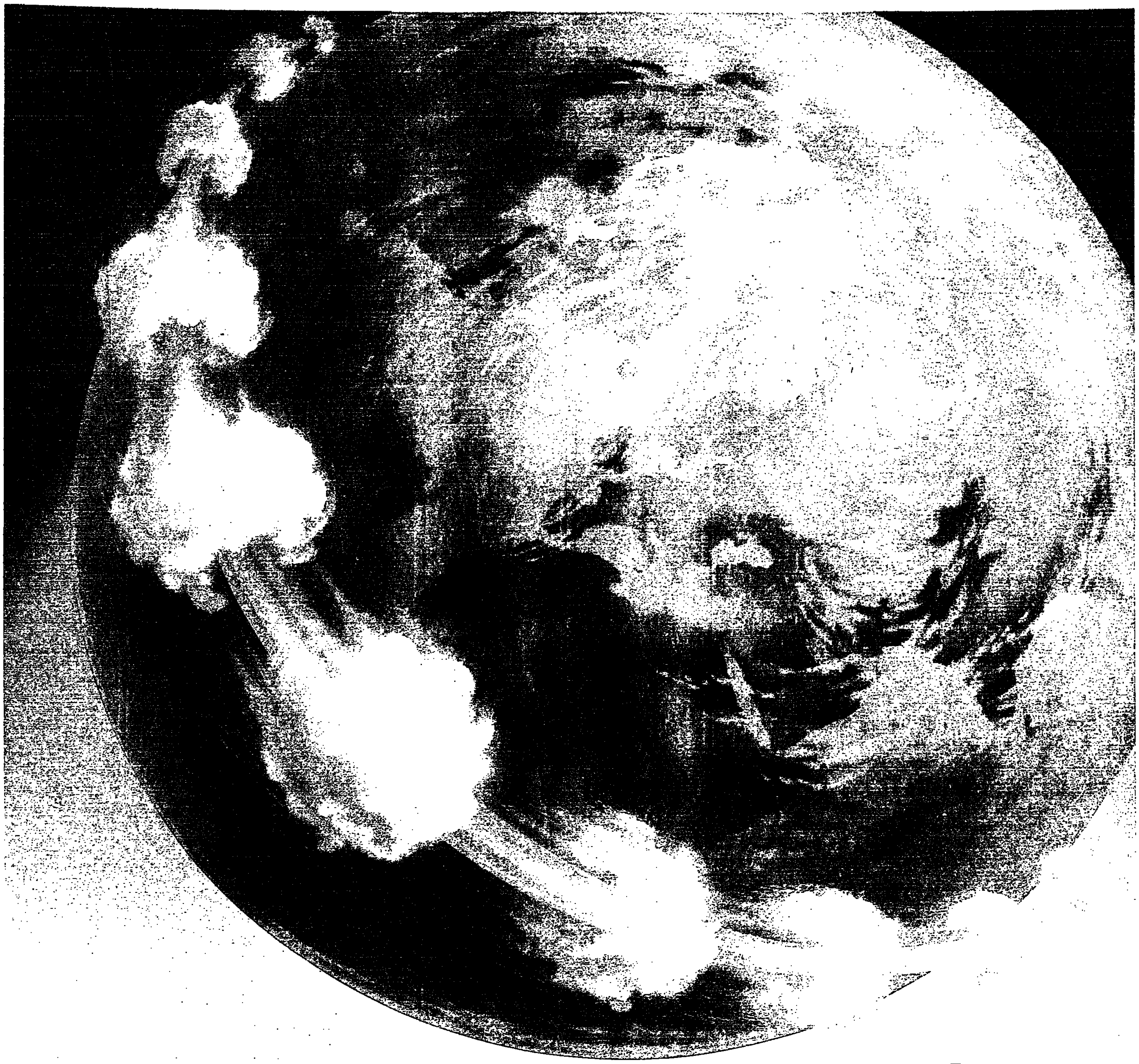
The project calls for developing the mine and providing a long conveyor belt to carry ore to river barges. Venezuela already produces alumina, aluminium ingots and finished products. It still must import bauxite ore, however.

The Bauxiven project would supply ore to Venezuela's large alumina facility (Interalumina), a joint venture with Alusuisse. The Bauxite plan has been on the drawing board for at least seven years.

● The Government also intends to build a wood pulp plant, a project which has been discussed since the mid-1960s. Under plans developed last year by the previous government a plant capable of producing about 250,000 tonnes a year of wood pulp would be located somewhere in the Guayana region, and would supply Venezuela's paper industry.

*European, Canadian and* U.S. firms are interested in the project, which was expected to cost about $500m according to estimates made last year.

● The Administration wants to reactivate *a problematic steel alloy* plant in Ciudad Guyana, the heavy industry region. Acerias Electricas del Caroni (Acelcar) was started under the government of President Carlos Andres Perez (1974-79).



# Thatcher orders inquiry into leaked letters

BY PETER RIDDELL AND PHILIP BASSETT

MRS MARGARET THATCHER, the Prime Minister, yesterday ordered a full-scale inquiry into how Downing Street letters concerning a recent British Rail pay deal and the miners' dispute got into the hands of the Daily Mirror newspaper.

The documents show that Mrs Thatcher and senior ministers had been much more closely involved in the disputes than they had publicly admitted.

The newspaper published the letters yesterday morning, but unlike the recent case of a Whitehall document leaked to the Guardian newspaper which was handed back to the Government, the Daily Mirror said the letters had been destroyed.

Government spokesmen yesterday were wriggling with embarrassment over the leak. Mr Neil Kinnock, Labour leader accused Mrs Thatcher of duplicity and the Opposition unsuccessfully pressed for an emergency House of Commons debate on the affair.

The leaked documents show that Mrs Thatcher took a very close and active interest in the recent British Rail pay negotiations, partly because of their implications for the mining dispute.

A letter from the Prime Minister's private office to that of Mr Nicholas Ridley, the Transport Secretary, says that Mrs Thatcher "agrees that BR should increase its pay offer in order to keep the negotiations in play.

She accepts that the offer can be increased along the lines suggested so long as the productivity conditions are insisted upon. She would be concerned if the offer were improved beyond this point as it would put the offer made to the miners in a poor light."

Mr Kinnock said: "The discovery now that, at the same time as Mrs Thatcher was telling me and everyone else she would not intervene, she was actually engaged in manoeuvres to direct and influence the dispute, shows the duplicity of the Prime Minister."

The main significance of the leaks is in highlighting the gap between what Mrs Thatcher has said in public and what, to the surprise of no one at Westminster, has been going on in private. The facts will be used by Labour spokesmen, notably in today's Commons debate on the coal dispute, to press for government intervention to promote constructive discussions.

Trade union leaders yesterday claimed that the leaked documents supported their long-held contention of widespread Government intervention in public sector industrial disputes. They said that their disclosure would stiffen resolve in the miners' strikes.

British Rail publicly protested its independence from the Government – although at the time of the deal, senior BR officials admitted privately that Government involvement had been the reason for the BR board's about-face over pay and productivity.

*The Government is to take a hard, uncompromising line on pit closures and redundancies in today's parliamentary debate on the mining industry.* **John Lloyd writes.** Tomorrow, the National Coal Board and the National Union of Mineworkers meet to discuss the three-month-old dispute over pit closures and job losses.

Ministers are now confident that the NUM is under growing pressure from its members to agree a negotiated deal at these talks.

# Legal curb on working hours rejected

By John Lloyd

**SENIOR ministers and industrialists yesterday rejected intervention by law in the labour market to reduce unemployment.**

**A debate by the National Economic Development Council on the structure of employment showed strong opposition from the Confederation of British Industry to reducing working time or to curbing overtime by statute – a stance supported by government ministers.**

**Dr James McFarlane, director general of the Engineering Employers Federation, said that industry was wholly opposed to a shorter working week without a commensurate cut in earnings. It could lead to a "half-time Europe and a full-time Japan and U.S."**

**There is growing concern among major European employers that the fierce fight by the West German metalworkers union for a 35-hour week could be copied by unions throughout Europe and raise unit labour costs relative to competitor countries.**

**Mr Tom King, the Employment Secretary, said the Government had not been convinced by arguments that reduced working time meant more employment. He said regulation of overtime in the UK could not be done by law but by collective bargaining.**

**Mr King will today argue the case against shorter working hours when EEC Employment ministers meet to discuss a draft recommendation on the issue. He has already submitted evidence to his European counterparts that a shorter week does not create more jobs.**

OPPORTUNITIES IN BIOTECHNOLOGY LACKING, SAY SCIENTISTS

# 'Brain drain' may increase

BY DAVID FISHLOCK, SCIENCE EDITOR

BRITISH INDUSTRY does not expect to expand its use of biotechnology very greatly in the next few years, despite the commercial promise claimed for the new techniques and products of genetic engineering.

This is the conclusion of researchers with the Institute of Manpower Studies, who have been investigating the "brain drain" of biotechnology graduates.

They found that about 250 British biotechnologists have emigrated since the mid-1970's, when the new genetic engineering techniques were first discovered and the first new biotechnology companies were set up.

Mostly they emigrated to the U.S. and Switzerland, with a peak outflow of about 30 a year in 1981 and 1982, which may still be sustained. Overseas demand for British biotechnologists is unlikely to slacken and "may indeed increase," Dr David Parsons and Mr Richard Pearson conclude.

Most of those questioned did not expect to return to the UK, giving lack of suitable opportunities and lower salaries as their reasons.

Their conclusions about the relatively low level of interest in British industry appear to confirm those of a recent report prepared for the U.S. Congress on international competition to exploit the new biotechnology methods.

This report – widely criticised in Britain – did not rate Britain highly as a potential rival to U.S. biotechnology interests. But it saw the Swiss drug industry as formidable competition.

The manpower report was commissioned last year by the biotechnology directorate of the Science and Engineering Research Council (SERC), after the brain drain of some senior UK researchers to top jobs in new companies in the U.S. and Switzerland.

The directorate sees the drain of about 30 highly-qualified biotechnologists a year as less serious than it had feared.

More worrying is the finding, in a second report from the same researchers, that the newly emerging industry of biotechnology is creating only about 50 new positions at the same level in Britain each year.

The researchers identified more than 60 commercial companies in biotechnology in Britain, of which 42 fell within the scope of the study as being involved with the new techniques of biotechnology.

It found employment of biotechnologists to be "dominated by a small number of companies employing large numbers with major concentrations in the health care and industrial service sectors."

It also identified more than 25 research centres as significant employers of biotechnologists, although only one was exclusively devoted to novel biotechnology methods.

Moderate growth, it concludes, is the employement trend, "although there were several examples of recruitment embargos having restrained expansion."

# Britain lags as competitors boost spending on training

BY ALAN PIKE, INDUSTRIAL CORRESPONDENT

THE UK'S leading industrial competitors consider education and training sufficiently important for spending to have increased during the recession, the National Economic Development Council was told in a report yesterday.

A survey of Japan, the U.S. and West Germany shows that industrial training is seen as making an "essential contribution" to the economies of all three countries, while the UK's performance is in a different league.

The research, conducted by the Institute of Manpower Studies, finds that employers among the UK's competitors have accelerated spending on training during the recession, to help employees cope with change and get the best out of new equipment.

West German employers meet 80 per cent of the cost of apprentice training – undertaken by about 70 per cent of school leavers – and have recently sharply increased their spending on adult training. Japanese employers "do not need to be told that theirs is the responsibility for training their own employees," the report says, and finance skill training and much technician and professional training.

In the US – where high technology companies appear to be spending around 3 per cent of sales revenue on training – more than 11m workers took part in training sponsored by their employers during 1981.

The UK Government will welcome the report's finding that support for training from public funds is proportionately lower in the three competitor countries than in the UK. Ministers believe that, since employers and employees benefit from training, they should make a substantial contribution towards its cost.

Mr John Cassels, director general of the National Economic Development Office, commissioned the research – in conjunction with the Manpower Services Commission – in an attempt to see how Japan, West Germany and the U.S. set about satisfying industrial needs through training.

"The three countries clearly see training as a lifetime experience," says Mr Cassels in a paper to yesterday's council meeting. "In each country a high proportion of the adult workforce undertake vocational training, and it is noticeable that employers play a major role in its provision."

Among its findings, the report draws attention to the fact that the percentage of the UK's workforce with recognised qualifications is at best half that of the three competitors.

The UK is the only one of the four countries where a majority of 16-year-olds try to enter the labour market. In Japan and West Germany only about 5 per cent do so, while in the U.S. most young people take the high school diploma followed by a "more complex set of options."

# Nurses expected to get 7% pay rise

MRS MARGARET Thatcher, Prime Minister, is this afternoon expected to make her long-awaited statement about pay rises for nurses, doctors, dentists, and other professional medical staff, judges, senior civil servants, and the armed forces, **Peter Riddell, writes.** The expectation is that nurses will be awarded pay increases averaging around 7 per cent.

However, pay rises for all the other groups are expected to be staged and to be below the increases recommended by the doctors and dentists review body and the Top Salaries Review Body. Each is believed to have recommended pay increases above the 3 per cent increase in public sector pay bills assumed in the cash limits for 1984–85.

The Government has been concerned to avoid awarding pay rises to highly paid groups which would provoke disagreement in other parts of the public sector, and would aggravate the present miners' and teachers' disputes.

Nurses are regarded as an exception, to be given their full pay award in one stage in view of what is regarded as public support for their case.

● **A DIFFERENCE** of view within Whitehall over the rules governing the right of UK oil companies to export gas from their UK gas fields is now the only barrier to government support for a £20bn gas import contract between British Gas and Norway.

At a meeting yesterday between Mr Peter Walker, the Energy Secretary, and Mr Nigel Lawson, the Chancellor of the Exchequer, agreement was reached on the volume of imports to be permitted from the Norwegian Sleipner field. The volume, it is understood, will be set at roughly four-fifths the level proposed in the draft contract prepared by British Gas and Statoil of Norway.

● **TANDY**, the U.S. electronics retailer and computer group, has had talks with the receiver of Dragon Data, the British microcomputer company which went into receivership last week.

Tandy said that it was considering the possibility of providing support for Dragon users, but was cautious about any possibility of taking over Dragon as a going concern. Several companies have shown an interest in Dragon whose machines' specifications are similar to those of Tandy's Colour Computer.

● **ACROW**, the troubled engineering group, has called off negotiations to sell its loss-making heavy fabrication subsidiary, Adamson & Hatchett, five months after announcing a provisional agreement on the deal. The disposal was one of the key elements in an Acrow recovery plan.

Mr Nat Puri, the Nottingham businessman who had offered £1m for Adamson & Hatchett, said yesterday he was "very upset" at the move and said he planned to try to recover some £100,000, spent during the negotiations, from Acrow.

Lex, Page 20

# Insurance watchdog proposed

BY ERIC SHORT

THE UK life insurance industry has been asked by Mr Alex Fletcher, Minister for Corporate and Consumer Affairs at the Department of Trade and Industry (DTI), to submit proposals for a self-regulatory body to cover the selling of life insurance by intermediaries and other sales staff.

This invitation follows the recent request by the Governor of the Bank of England for advice on the structure and operation of self-regulatory groupings to cover all types of securities activity.

Mr Fletcher stressed that the views of the life insurance industry in running its own self-regulatory body would be taken into account by the Government in considering the issues raised by Professor Jim Gower in his recent report on investor protection.

The DTI stressed, however, that there was no intention that any self-regulatory body should take over any of its legal powers or responsibilities in supervising the life insurance industry.

The department envisaged any proposed body having an additional supervisory role, dealing with such specific matters as licensing of salesmen and control of commissions paid to intermediaries, leaving matters such as authorisation, investment and advertising to the department.

Mr Fletcher has issued his invitation to the Life Offices Association, the Associated Scottish Life Offices and 15 other bodies interested in life insurance selling, including the Unit Trust Association and the Building Societies Association.

The minister envisages one self-regulatory body covering the whole life insurance industry. He wants firm proposals by the end of August to keep in step with the timetable for the governor's initiative.

The UK life insurance industry, however, is fragmented and subject to various conflicts. For instance, the Linked Life Assurance Group has refused to become involved with the control of life insurance commissions, while relationships between the British Insurance Brokers Association and the Building Societies Association have been cool.



# BAe wins contract to develop weapon

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE DYNAMICS GROUP of British Aerospace (BAe) has won an £11m contract from the Ministry of Defence for the further development of a new anti-armour guided weapon, the Merlin 81mm mortar bomb.

BAe has been working on this system with its own money since 1981. The Defence Ministry contract, which will be matched by an equal contribution from BAe, covers project definition of the new weapon and pre-development work.

The Merlin is described as a "fire and forget" weapon for the protection of infantry against tanks and armoured personnel carriers on the battlefield.

The Merlin is only one of a number of technical developments revealed yesterday by the BAe's Dynamics Group. Another is called Lawmine, an unattended anti-tank weapon which is designed to engage targets on the battlefield automatically.

Lawmine has been developed in response to Ministry of Defence requirements. It is designed to be used on the battlefield where conditions prevent the use of conventional anti-tank mines.

Another development by BAe is a "cryogenic engine," designed to keep cool the infra-red guidance and other systems in guided missiles and spacecraft. A wide range of other scientific and industrial uses are possible.

BAe has also developed a "container examination system", capable of discovering by means of a high-voltage electronic beam the presence of cargoes such as drugs, alcohol or weapons in containers at the dockside.

This development has aroused considerable interest worldwide among customs and other authorities and BAe is discussing its sale to a number of countries. BAe believes that orders are imminent and expects a substantial income from the venture in the years ahead.

Mr Hugh Metcalfe, managing director of BAe's Dynamics Group, said that in 1984 the group's overall research and development budget would top £200m. The group's turnover last year amounted to over £835m.

# Private care 'no better' than Health Service

BY CARLA RAPOPORT

PRIVATE hospitals are unlikely to give better medical treatment than National Health Service (NHS) hospitals, according to a study by Which?, the magazine published by the Consumers' Association.

The leading London private hospitals have facilities to match those of the best NHS hospitals, the study says. But most private hospitals specialise in the treatment of non-urgent surgical conditions.

"This means that a private hospital may be less able to cope if unexpected complications arise," the study states. NHS hospitals are still much better equipped to deal with emergencies and complex operations than most private hospitals, according to Which?

Private hospitals specialise in operations which have a long waiting list at NHS hospitals, such as tonsillectomies, hip replacements and for hernias and varicose veins. Which? says that the main advantage of private treatment is faster treatment of non-urgent operations.

The study states that the private health sector does not provide a full alternative to the NHS. It has only about 8,000 beds for surgery patients, with a further 3,000 pay beds in NHS hospitals. This represents less than 5 per cent of the surgical beds available under the NHS.

The study covered 720 people who had been in hospital within the last five years; 80 per cent had been treated under the NHS and 20 per cent in private hospitals.

# Rank Xerox sales switch

BY JASON CRISP

RANK XEROX, the photocopier group, is making a major change in its UK distribution. The company is to set up a network of dealers in which it will hold an equity stake of up to 49 per cent.

This is a major departure for Rank Xerox which for many years relied solely on its large direct sales force. Fierce competition from Japanese companies, and the falling prices of copiers has led the company to try a number of other means of selling.

Last year Rank Xerox shut its chain of retail Xerox Stores after they failed to attract significant business. In addition the company appointed a number of small dealers in rural areas where they do not conflict with territories of the direct sales force.

The new dealerships, known as Xerox Business Centres, will be aimed at selling to small businesses. The centres will have an exclusive right to sell Rank Xerox products in their region and will offer only the company's equipment. Major accounts in their region will still be handled by the direct sales force.

# THE MANAGEMENT PAGE: Marketing

EDITED BY CHRISTOPHER LORENZ

Bank advertising

## The all-out battle for a brand image

BY FEONA McEWAN

BANKS' customers have never been courted so hard: a zooful of griffins, stallions and piglets—among other characters—currently beg our financial loyalty. The language, too, is changing: customers are called consumers, services are products, transactions known as selling and banks financial supermarkets.

In the last five years, joint stock banks have upped their advertising spend nearly five-fold to £42½m. The biggest spender among them, NatWest, ranks as the country's fifth major advertiser, according to Media Expenditure Analysis, with a total of some £12.7m (to year end March 1984).

The icy blast of competition, as building societies, unit trusts, post offices and high-street retailers crowd into the personal finance sector, has meant that banks have had to shake off their complacency and fight for market share. Only this week another bank has changed its agency; the Royal Bank of Scotland has moved to Boase Massimi Pollitt.

As a result, the clearing banks have become one of the most dynamic marketing groups within the burgeoning financial sector—which itself has seen a 153 per cent increase in advertising since 1978, according to Audits of Great Britain—as they acquire the techniques and expertise of their more-practised retailing cousins.

But in advertising terms, it is still early days for banks. Until the mid-1970s bank advertising was pretty tame stuff. One of the earliest television examples, in 1965, was a cosy sitcom featuring a bank manager in a cupboard (indicating confidentiality?) with the line: "You get more than a cheque book when you open a bank account."

This ad was a reactive gesture on behalf of all banks before the divisive wind of competition set in, and after they learnt to their dismay that they had an unlovable image. Unlike traditional savings institutions like post offices and building societies, which were friendly and convenient, they were seen as imposing and intimidating.

Barclays reckons it blazed a trail in 1976 with the classic press ad from ace copy writer Tony Brignull, "What if I get in the red?"

This raised temperatures as well as eyebrows with its bold copylines which asked questions everyone wanted to ask but no one dared: how does the bank make money? Why don't cashiers smile more? No pictures, all copy. "No one anywhere in the world was doing this," says Peter Gittoes, head of Barclays' advertising. "Some were scared it wouldn't be read."

But it was a wow. Within two days the bank had received 400 requests for reprints. The Barclays' branding had begun.

Ten years on, the idiom is unchanged, same tone, typography, same direct unpatronising, factual, business-like approach. "It still works so we see no need to change it," says Gittoes. "I reckon we shook the tree, and it was a long time before anybody got anywhere near us." The inter-bank competitive element arrived in about 1974 when Barclays took the then radical decision to move out of a City advertising agency to the creative agency, Collett Dickenson Pearce.

### Client base

At about this time the public began to see the banks as separate entities. Lloyds identified its problems as brand awareness, so it developed its black horse with commercials of a galloping animal in slow motion symbolising the freedom from paperwork of a bank account.

Barclays turned its attention then to the young audience and Supersavers were born. "That way we slowly build up a new client base, by building up a mentality of saving money." The spin-off Supersavers magazine, thrice yearly, is sent to 750,000 readers.

The bank uses more television than Press these days. Its ads are entertaining, even bitchy. "We take the view that we are interrupting their entertainment so we must pay in kind. If you have the added value of 'I enjoyed that message' it helps the brand."

Lloyds Bank reckons it spends less on ads than the other three but believes it gets more for its money. "If we compare awareness of each bank against its advertising budget, Lloyds comes out significantly better," says Colin Trusler, marketing director.

It sees its role as not to *plough the same furrow as the* others, in their individual ways, are doing—the approachable Midland, the go-ahead Barclays, the born-again NatWest. Lloyds advertising aims to concentrate on the bank as an institution with its services and staff part of the total service with an underlying philosophy towards its customer base.

"Bank advertising runs the risk of self-regarding hyperbole or product myopia," says Trusler, "but you can't disassociate products from banks, because the bank is effectively the product. Service to us is professionalism, accuracy, courtesy. The black horse, he says, symbolises those qualities. Lowe Howard-Spink Campbell Ewald handles the Lloyds account.

Midland Bank, which maintains it was the first to recognise the importance of the personal finance sector, has decided, unlike the others it says, not to pursue the one-in-three who is unbanked on the basis that the actual number of people without access to some form of savings account is, in fact, negligible.

"We are going for market penetration and product development, offering existing customers new and better products, more like a high-street retailer," says David Mills, assistant general manager, personal sector marketing. "Product uniqueness is, therefore, important," he says, "as are branding and differentiation."

The "listening bank" slogan, devised in 1980 when it moved to Allen, Brady & Marsh, was "an early statement that the days of nasty bank managers in pin stripes were over. It conveyed the message that we want your business and we will listen and respond to your problems." But even that, which landed the bank with some unwanted publicity, didn't brand as hard as was needed.

Now there is the griffin, a variation on the corporate logo. "He is a happy friendly fellow who offers the perception of a bank manager or building society man with the friendliness of a high-street retailer," says Mills.


NatWest—with help from JWT—is pushing its personal loans

Tracking studies and detailed market research which the bank itself carries out on the current campaign are positive. "We are very satisfied with the results," he says.

NatWest was the last of the Big Four to update its marketing and advertising. The past two years have seen a fundamental rethink of strategy, a "quantum leap" according to David Powell, marketing manager, personal sector/domestic banking division. "We were one of the biggest but the others were better branded," says Danielle Barr, head of advertising. "Our image was diffused, though awareness was quite high."

The new approach is, in the best retailing traditions, strongly consumer oriented. "We are market not product-led," says Barr, a former agency chief, "with a thorough research base which eliminates some of the risks." The aim is to promote existing and new products to existing customers. This involves reappraisal of current products, to see if they are still relevant to consumer needs or if they need surgery.

Already this has led to the development of NatWest's youth schemes, the Piggy Bank savers (aimed at 11 year olds and under) and the teenager On-line concept (aimed at 11 to 17 year olds). "This was unique in banking terms," says Powell. Now in less than a year there are some 280,000 "under 17-year-olds" with NatWest accounts.

Personal loans and home improvement loans have both been promoted this year.

Since public contact with banks is growing more remote, and transactions are increasingly conducted by telephone and letter, its important, says Barr, to develop a relationship with customers.

"We must develop a tone of voice that makes them feel warm towards us. We want that feeling in all our advertising. People respond to this," says Barr.

Speaking the same language is crucial and the NatWest's radical decision —"it wouldn't have got through a year ago"— to use Vivian, the punk rocker of the television series, The Young Ones, to reach the teenage audience has been hailed as inspired by some and patronising by others.

"We want people to think of us first when it comes to finance," says Powell. "We are a sort of financial supermarket . . ."

Corporate design

## Intuition isn't enough

BY ALAN BREW

FOR A man who is president of the world's largest design consultancy, John M. Diefenbach does not talk much about design. He would rather talk about other things.

"We talk marketing at Landor," he says. "We are in the business of commercial marketing."

Landor is Landor Associates, the U.S. group which controls its worldwide operation from a ferry boat in San Francisco harbour. Diefenbach's practical and *surprisingly unemotional* view of design is articulated as part of a hard-nosed business process which is applied with the cool and sober approach of a law firm.

Landor made its mark in Europe with Alitalia and has since worked for Singapore Airlines, Ansett of Australia, and SAS, the Scandinavian airline.

It is work for the latest airline client, British Airways, which brought him to London last week on a flying visit. Wearing the permanent Californian suntan which makes him look younger than his 47 years, Diefenbach is probably the most fluent exponent on the use of corporate design apart from Wally Olins of Wolf Olins, the UK corporate design specialist.

"Design is no longer a purely creative task," says Diefenbach. "Nor is it based on intuition. It is the execution of a strategy."

He maintains that the size, scope and complexities of modern business demand that, to be effective, design must translate a company's marketing plan into visual form. The Landor methodology which Diefenbach defines as "an ability to analyse change in the market place and provide design solutions that turn change to client advantage" has been used to the advantage of more than 150 international companies, not least Landor itself which earned $24m last year on a 30 per cent increase in volume.

It is an approach which has produced some striking results for more than 50 banks, including Bank of America, Chase Manhattan and La Caixa, Spain's largest savings bank, diversified corporations such as Montedison of Italy and Jardine Matheson of Hong Kong.

Diefenbach's background is advertising and marketing. Armed with a business degree from Columbia

John Diefenbach: helping to find British Aieways' corporate soul

University, New York, he took the unusual step, for a business graduate, of going in to advertising when he joined Doyle Dane Bernbach in 1961. "I'm a hybrid, not a schizo." In 1966 he moved to Young and Rubicam where he became vice president in 1969.

It was around this time that his feelings about marketing began to coalesce.

"I did not like what the advertising agencies were doing," he says. "It had nothing to do with strategy and long-term planning. They were extraordinarily naive. They thought they could change a company through ads, not perceptions. The only way to do that is to go in and work within the structure of a company."

It was these views which made him leave advertising in 1973 and work for himself until the phone call came from Walter Landor, one of the luminaries of the U.S. design business who founded Landor Associates in 1941.

"The main reason I decided to join him," says Diefenbach, "is that he is the only one not concerned about his personal ego. I call it the man-in-the-cape syndrome — the design guru sweeps in, makes his designs, and then disappears into the night. What you paid for was intuition and that is no longer enough for modern corporations."

The Landor methodology, which was refined by Diefenbach when he became president in 1978, seeks to assist in developing a marketing strategy and a visual design programme. It is a four phase approach which examines the market positioning of a company or product, investigates the real attributes and the perceived attributes, and then isolates what is unusual or unique about it.

Phase 1 is a period of assessment which involves extensive market research if necessary through a wholly owned affiliate, Communications Research Centre. Management and employee attitudes and public perceptions are analysed.

This phase often involves a process in which members of senior management are locked in a room for a day—jackets off, no telephone calls. The purpose is to thrash out the basis for a strategy.

"There is no pride in authorship at Landor," says Diefenbach. "It is the only way to get them totally integrated in the process. It is expensive but it guarantees success. What we do is so thorough that it costs a lot more than the competition, but we cannot afford to fail."

Phase 2 involves planning in which the guidelines for the design stage are developed; phase 3 refines the design solutions ready for client approval and phase 4 is implementation and monitoring.

Despite all the talk of marketing and methodology Landor says it puts a high premium on creativity. "There is nothing wrong with nnovation within a framework," says Diefenbach. "What we bring to the ball park apart from methodology is our size. We have the full orchestra, a co-ordination of disciplines, control over supplies and the pick of the crop of designers."

British Airways is obviously hoping that Landor can achieve the same success for it as it has with SAS. It was the meticulously researched and painstakingly executed designs which helped dramatically to reverse the fortunes of the once ailing airline. BA is already using the same staff training techniques (see Management Page, May 25 1984).

When it finally emerges in all its privatised splendour, the dazzling new airline livery, the redesigned seats and new uniforms for the crew will not be cosmetics. They will be part of the Landor process, external manifestations that, at long last, British Airways may have found its corporate soul.

# TECHNOLOGY

EDITED BY ALAN CANE

BP GAS PROCESS FOR CONVERTING PETROLEUM

## Single step to fuel

BY DAVID FISHLOCK, SCIENCE EDITOR

THE FRUSTRATION of doing successful industrial research only to find that the market has changed and no longer seems to need your "better mousetrap" has been brought sharply into focus by British Petroleum's research director.

Professor John Cadogan, in the final Holroyd Lecture to the Society of Chemical Industry, described the Cyclar process for turning liquid petroleum gases in a single catalytic step into high-octane fuel or feedstock. It was conceived by BP at a time when world oil production levels suggested a large surplus of LPG. Prof Cadogan puts the R and D investment at £5m, mostly invested by BP Gas.

With rising oil prices and the consequent recession forcing a cutback in oil production, however, the large LPG surplus no longer exists at present, to justify widespread investment in what Prof Cadogan claims is inherently an economically attractive process. His hope is that the attractions will first be recognised for LPG conversion in isolated oil and gas fields with limited opportunity for selling the LPG byproduct. Even today, LPG is re-injected into wells in Alaska (north Slope) and Algeria.

The Cyclar technology is the invention of BP's Sunbury Research Centre, developed in a joint venture with the UOP Process Division, Des Plaines, Illinois, for the last four years. It converts propane and butane directly into aromatics — benzene, toluene, xylenes — by dehydrocyclo-dimerisation. As Prof Cadogan sees it, this is a "remarkable reaction whereby relatively inert alkanes are converted in 65 per cent yield over a treated zeolite to a clean aromatic mixture of research octane number of 111". In fact, so rich is the mixture that it must be diluted for use as petrol, he says.

The key to Cyclar is the catalyst, the "treated zeolite." The technology derives from UOP's Platforming and continuous catalyst regeneration technology, used commercially since 1971 for the catalytic reforming of naphtha to make high-octane petrol. Over 50 such plants are operating worldwide and over 30 more are planned. The Sunbury Research Centre negotiated the joint venture with UOP in 1980.

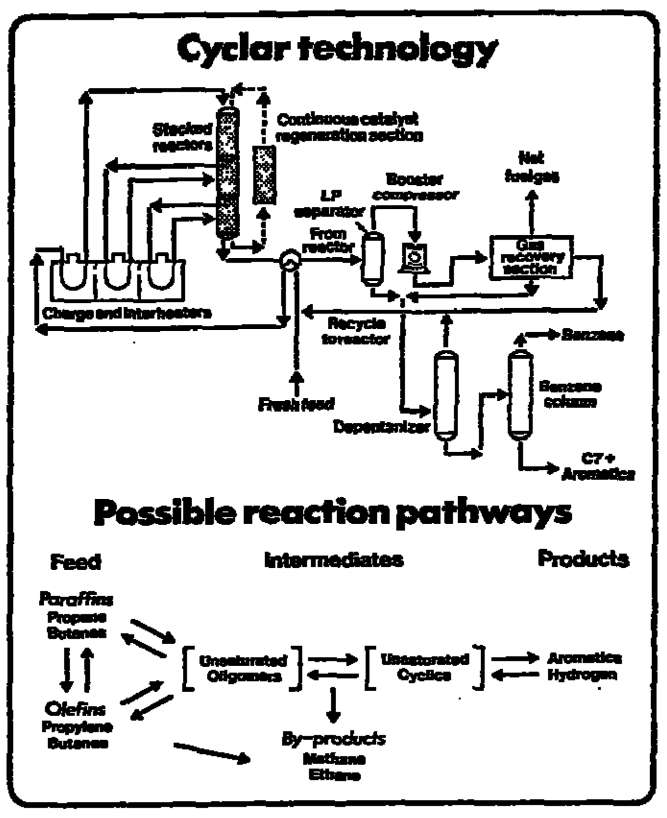
Cyclar uses the same well-tried technology but served by a new high-activity catalyst, tailored to the conversion of LPG at temperatures above 430 degrees C. As the accompanying process flow diagram shows, the feed of fresh LPG is mixed with a recycle stream of unconverted C3 and C4 hydrocarbons, and heated to the reactor temperature.

The single-stage conversion takes place in a series of stacked radial-flow reactors. The hot effluent from the last of the reactors gives up its heat to the incoming feed, then passes successively to a low-pressure separator for recovery of condensed liquids, to a depentaniser, and finally to a benzene column. Here, high-purity benzene is recovered, leaving a highly concentrated mixture of aromatic hydrocarbons of C7 upwards.

In addition to the single-stage conversion, a crucial feature of process economics is catalyst regeneration, developed originally for Platforming. Catalyst passes from reactor to reactor then trickles at a controlled rate from the last reactor to the regeneration tower.

Regeneration removes carbon deposits which poison the catalyst. In practice, this has proved slight—less than 0.05 per cent by weight of the feed processed—which keeps regeneration requirements modest and renders the catalyst insensitive to variations in feed and process upsets.

BP estimates of plant costs vary slightly with feedstock, from $41m for a 16,000 barrels per stream per day of butane, to $46m for the same throughput of propane. The estimates are based on erection costs in the fourth quarter of 1983 on the U.S. Gulf Coast, and include everything needed to recycle unconverted LPG, recover fuel gas and produce high-purity aromatics. But there are situations—such as the Gulf Coast—where the overall economics of converting propane are superior because butane already has another outlet.




The process has been designed to be self-sufficient in services, for example by using its own fuel gas by-product to heat the feedstock to reaction temperature.

When Cyclar process development began, the oil industry was confident that the world would be "sloshing around" in unwanted LPG, to quote one BP board member. With the big cutback in oil production since the late-1970s, the prospective market for Cyclar at present is thought likely to be regions remote from LPG markets, and regions currently capable of yielding much larger amounts of LPG.

For BP researchers at Sunbury, the inherent advantages of Cyclar are held to warrant continuing research in the hope of further raising a yield which has already been rising impressively, perhaps to 70 or 80 per cent.

GUNSON'S SORTEX ADDS COMPUTER POWER TO COLOUR SORTING MACHINES

## How to sort the good jelly beans from the bad

WHEN President Reagan was elected, it caused all sorts of problems for the makers of his favourite jelly belly beans. Goelitz Candy in Oakland, California, wanted to ensure its jelly beans going into the White House were of a consistent quality.

Goelitz searched the world for equipment which could pick out his favourite colour and found the answer at a British company called Gunson's Sortex in London. Now the jelly beans consumed by ordinary folk are also checked by the same machines.

Gunston's Sortex specialises in colour sorting. Using this technique the company can sort good products from the bad; everything from large potatoes and coffee beans to individual grains of rice.

That is not as simple as it sounds. Colour sorting is possible because everything reflects light in a different way, depending on its own colour. Sortex analyses each product for its particular reflective properties. These characteristics are then built into the machine. A fluorescent tube, which emits colour of a particular wavelength, provides special background light for each product; photoelectric sensors pick up the reflections which will differ according to the colour of the material.

The material to be sorted is loaded into an overhead vibrating hopper. This separates the product so that individual items fall through a number of channels. When each grain or coffee bean, for example reaches the end of a channel it is launched momentarily into space.

In this short time, a lens arrangement, with built-in sensors, decides whether a product is good or bad. If the product is to be rejected, a small blast of compressed air is given to knock the item out of the main stream and into a waste bin. This air blast may only last for one thousandth of a second or less. Sortex expertise has been to develop small, but highly accurate, air ejectors.

Sortex has just introduced a range of machines which incorporates computer control for the first time. This makes the new 7000 machines very simple to operate and set up. In previous types — including Sortex models — operators had to make about 100 settings on each machine before it could sort by colour. Then periodic recalibration was needed when each sorter had to be stopped.

With the Sortex 7000, a human sets the sensitivity button and a microprocessor works out the rest. For example, it works out how quickly material should drop past the colour sensors, it cleans the viewing lenses when it is necessary and takes into account the ageing of the fluorescent tubes.

The sorter recalibrates itself every 20 minutes. Each machine contains the equivalent of 10 Apple computers. It has taken about eight man-years to devleop the computer software which controls the machine. Sortex already has firm orders for more than 16 units, each costing about £30,000.

ELAINE WILLIAMS

ROCKET LAUNCHERS

## Ariane gets a power boost

BUOYED by the success of the first commercial launch last month of the West European satellite-launcher Ariane, the rocket's backers are pressing ahead with a range of developments to increase its capabilities.

Later this summer, probably in August, a new version of the rocket, Ariane-3, will lift off from the 11-nation European Space Agency's launch site in Kourou, French Guiana. The launcher will inject into the geostationary orbit 36,000 km above the equator up to two satellites of total mass 2.5 tonnes.

In contrast, the current Ariane-1, which on May 23 lifted into space a satellite owned by GTE, the U.S. telecommunications company, can carry a payload of only 1.8 tonnes.

The first job of Ariane-3 will be to ferry above the atmosphere a European Communications Satellite which will be operated by Eutelsat on behalf of Western Europe's telecommunications authorities, and the Telecom-1A vehicle owned by France's telecommunications agency.

The rocket owes its extra power to two solid-fuel boosters, made by BPD Difesa-Spazio of Italy and which will be strapped on to the base of the launcher, together with refinements to the liquid-fuelled engines in the existing rocket's three stages.

Further ahead, ESA has already started a $250m programme, managed by the French national space agency (CNES), to produce by 1986 a still more powerful rocket, Ariane-4. This will come in six different versions and lift up to 4.2 tonnes to the geostationary ring.

All the Ariane-4 rockets will have a new first-stage engine, lengthened by 7 metres compared with Ariane-3. They will differ according to the number of extra booster rockets clustered around the base of the launcher. The most powerful version will have four liquid-fuelled boosters each containing 38 tonnes of propellants.

Arianespace, a mainly privately-owned company based near Paris, took over responsibility from ESA for launches from last month. The space agency, backed solely by government funds, had administered the eight previous flights with the rocket.

Arianespace's shareholders include 49 West European banks and companies in electronics and aerospace, though the French Government, through CNES, owns one-third of the stake.

The company has firm orders for the launching of 28 satellites plus 19 options, adding up to an order book worth some $800m.

With the help of a second, $200m launch pad in Kourou, paid for by ESA and which should be ready next year, Arianspace says it will inject into space ten rockets a year by 1987.

Although Arianespace acknowledges the financial help it obtains from governments—ESA contributes some $50m a year to maintain the Kourou base and put up about $1bn over the past decade to develop Ariane—it says that the subsidies it obtains from public funds are small compared with those given to Ariane's main commercial rival, the U.S. space shuttle.

Each flight of the shuttle costs the U.S. taxpayer an estimated $125m, of which the National Aeronautics and Space Administration recoups a small fraction in launch fees from customers. Nasa says, however, that the level of subsidy should decrease virtually to nil by the end of the 1980s as launch charges increase and as the vehicles in the shuttle fleet make more flights.

Arianespace returns cash to public funds as a result of a royalty agreement with ESA. The company pays the agency 1-5 per cent of the fees it obtains from customers for taking satellites into orbit. Arianespace says it requires payment of $25m-$30m to lift a 1.2 tonne satellite using Ariane-3.

Meanwhile, the pricing policy of the European company has come under fire from Transpace Carriers, a U.S. enterprise which is selling launches using the Delta rocket.

According to the U.S. company, Arianespace charges American customers 25-33 per cent less than organisations in Europe. Transpace says this adds up to unfair competition and contravenes U.S. trade regulations.

From October Transpace plans to take over responsibility from Nasa for launches with the Delta, which has a similar capability to Ariane-1. The company hopes to administer four launches a year by 1986, lifting a 1.3 tonne satellite into orbit for about $30m.

PETER MARSH



Electronics

## Alignrite go-ahead

FIRST TENANT on the Mid-Glamorgan Science Park at Bridgend is to be the UK subsidiary of Alignrite Corporation of Burbank, California.

The new company will be making masks for semiconductor manufacture and is currently training employees from Wales at the Burbank location.

About 150 people are expected to be employed within three years and the plant could become the major supplier of masks for the European electronics industry —the market is put at £20m by Prutec.

Engineering

## Displays venture

THE ENGINEERING and manufacturing activities of the former Burroughs OEM Display Division have been absorbed into a new company, Plasma Graphics Corporation, which is a joint venture between Burroughs and Telex Computer Products.

The company's first product is a flat panel plasma display called Plasma-Graphics 120 which has 120,000 addressable pixels (picture elements) arranged in 480 columns by 250 rows.

Applications are expected in portable desk-top computers, advanced telephones, process control and instrumentation. The company says that the system will compete in price with high quality CRT monitors with the advantage of absence of flicker, a wide viewing angle and, of course, lack of bulk.

The unit consumes 33 watts and measures 11.2 x 6.5 x 1.4 inches. Weight is 3lb. More on 0494 773642.

# Accountancy Appointments

## TAX PARTNER – £45,000-£75,000

**FCA's 35-45** **London**

Our client is a progressive, highly successful and fast growing firm of Chartered Accountants within the 'top 20' rankings. This firm seeks to recruit a further tax partner of established status and reputation to join its sizeable tax department.

Applicants should be established salaried or equity tax partners with wide experience coupled with enthusiasm and an aptitude for special tax assignments.

In addition, the appointee will be expected to have considerable client contact and to take a share in tax practice development.

For more information please contact George Ormrod BA (Oxon) or Colin Mutton ACA on 01-836-9501 or write in confidence with your tax technical C.V. to Douglas Llambias Associates Ltd. at our London address quoting reference No. 4542.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DOUGLAS LLAMBIAS
Douglas Llambias Associates Limited
Accountancy & Management Recruitment Consultants

## INVESTMENT MANAGEMENT

**City** **£15,000-£20,000 + benefits**

Our client is a leading international investment management concern operating in the United Kingdom, the United States, the Far East and Australasia.

The company has enjoyed an impressive record of growth and expansion. They are now seeking to fill two newly created senior positions within their UK office.

Candidates for these appointments will be either chartered accountants or chartered secretaries aged between 25 and 35 years who have a minimum of three years experience gained, in a dynamic fast moving environment. These positions offer excellent prospects for career development.

Applications, in the strictest confidence should be submitted to Robert N. Collier or Neil Gillespie at our London address quoting reference number 4558.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DOUGLAS LLAMBIAS
Douglas Llambias Associates Limited
Accountancy & Management Recruitment Consultants

## AUDIT MANAGERS
## £17,000-£25,000 + CAR

**ACA's 28-35** **Central London**

Our client is a major international firm of Chartered Accountants seeking to recruit a small number of high calibre and experienced audit managers. Whilst previous audit experience of a varied nature will be considered those who can demonstrate extensive audit experience in the Banking and Insurance sectors will be particularly welcomed.

Candidates (male or female) will only be offered positions if they have the obvious potential to achieve partnership in the short/medium term.

For more information please contact George Ormrod BA (Oxon) or Colin Mutton ACA on 01-836-9501 or write with your C.V. to Douglas Llambias Associates Limited at our London address quoting reference No. 4560.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DOUGLAS LLAMBIAS
Douglas Llambias Associates Limited
Accountancy & Management Recruitment Consultants

Expanding group seek young accountant . . .

## FINANCIAL SERVICES MANAGER

**London** **to £16,000 + car + benefits**

Our client, a well established group, is one of the UK's leading menswear manufacture and retail organisations.

Operating a network of retail stores throughout the United kingdom, they are now about to embark on a major modernisation and expansion programme and therefore wish to recruit a young qualified accountant to work closely with their Financial Director.

This is an excellent opportunity to join a young and dynamic management team with good prospects for career progression within the group.

Candidates, male or female, for this appointment will be aged between 25-30 years with experience of advanced management accounting techniques, internal/system audit and financial accounting. A knowlege of the retail trade or experience of a multi-location environment is advantageous, but by no means essential.

Applications in the strictest confidence should be submitted to Robert N. Collier or Neil Gillespie at our London address quoting reference number 4556.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DOUGLAS LLAMBIAS
Douglas Llambias Associates Limited
Accountancy & Management Recruitment Consultants

## Financial Controller

**Around £19k + car** **London**

Our client is one of the UK's most progressive and profitable retail leisure organisations with an annual turnover in excess of £200 million.
An opportunity has arisen for a commercially orientated Financial Controller who will report to the Managing Director and lead the financial team in a major regional company. The person appointed will have the ability to stimulate positive action by the management team from the presentation and interpretation of financial information. The expected contribution will therefore be crucial to meeting the projected growth and profit targets of the business.
Our client is looking for a qualified Accountant aged between 26-35 with ideally a background in a retail environment with multiple outlets. The individual should be both strong and independent of mind with high personal standards and an approach which will challenge facts and opinions within the company. Outward going by nature, this person will be a driving and creative force participating fully in the commercial and operational areas of the organisation.
A salary around £19,000 plus car and a comprehensive range of benefits including relocation expenses where necessary will be available.
Interested applicants should send brief comprehensive details, quoting reference FT/720 and indicating the name of any company to whom your application should not be forwarded, to:
Anne Ridge, Forbes Keir Ltd., Old Court House, Old Court Place, Kensington, London W8 4PD.

Forbes Keir Advertising Limited



## Financial Director (Designate)

*Growing Industrial Group*

**To £25,000 + Car & Profit Share**

**N. London**

Our client has established itself as one of the market leaders in its specialist sector of the Contracting Industry and is embarking on a programme to expand its recently acquired manufacturing interests. Future prospects and projections are very promising and the current turnover of £6 million is expected to increase rapidly.

Stringent financial control will, however, be crucial and the Board has decided, therefore, to appoint a high calibre and keenly commercial Financial Director (Designate) to oversee the vital finance function.

Reporting to the Chairman, you will be responsible for all accounting, treasury, management reporting and company secretarial duties for this expanding plc.

The position calls for an experienced, profit motivated Qualified Accountant, aged 35–45, with several years' broad industrial experience including ideally some in contracting. Depth exposure to computer-based systems is essential.

The remuneration package is negotiable and an early Board appointment is envisaged for someone who can demonstrate a real talent for developing a business profitably.

*Please send concise details including salary and day-time telephone number, quoting ref. E2002, to W.S. Gilliland, Executive Selection Division.*

*Thornton Baker Associates Limited, Fairfax House, Fulwood Place, London WC1V 6DW.*

## Finance Director

**Northamptonshire £20,000 plus car**

This really is a unique opportunity! It is to join the Board of a fast expanding, high technology manufacturing organisation at the management buy-out stage. Funding negotiations are now complete and the requirement is for a commercially sound chartered accountant to take over complete responsibility for the financial management and accounting development in a company with a current annual turnover level exceeding £2 million. The most appropriate candidates will therefore be between 35 and 45 with a proven record of managerial achievement, coupled with a progressive, committed and enthusiastic attitude. The opportunity to acquire material shareholding will be given to the appointed applicant and there are prospects of a USM listing in the medium term.

*Applications are welcomed from men and women*

*Please send full career and personal details to John Overton, FCA, Overton Management Selection, Monaco House, Bristol Street, Birmingham B5 7AS or telephone 021-622 3838 for an application form quoting reference 8/1175/FT.*

OVERTON MANAGEMENT SELECTION

## HEAD OF FINANCE

**£17,000**

A major London housing association with some 3,500 homes under management and a development programme providing about 200 homes a year requires a Head of Finance. The association is a registered charity and works in two inner London boroughs, each with a high degree of housing stress. The association has a revenue budget of over £5 million per annum, and a capital expenditure programme totalling over £11 million. Its assets exceed £60 million.

The Head of Finance is responsible to the association's chief executive for the entire finance function of the association which operates with a staff of twelve and an IBM computer installation.

As a member of the Management Team, the person appointed will have a central role in the overall management of the association.

Applicants should be qualified accountants, have good communication and reporting skills, and proven managerial ability.

Closing date; 30 June 1984.

Application form and job description from:

**Jane Hemsley**
**Secretary to the Association**
**New Islington & Hackney Housing Association**
**123 Kingsland High Street**
**LONDON E8 2PB**
**Tel: (01) 254 1272**

New Islington & Hackney Housing Association

## MANAGEMENT ACCOUNTANT

Surrey-based U.S. chemical company requires part qualified ACMA. Costing experience essential, plus knowledge of computers. Responsibilities include preparation of budgets. management accounts, implementation of new costing system. Salary £11,000 plus profit share scheme.

*Write Box A8625, Financial Times*
*10 Cannon Street, London EC4P 4BY*

## Group Chief Accountant

(Financial Director Designate)

**North Yorkshire** **c £17,500 + bonus + car**

A well established reputable capital goods manufacturer, our client is a Public Quoted Company with a turnover in excess of £30m.

A Group Chief Accountant is required to join the management team and to make an important contribution to future financial and commercial development. It is expected that the successful candidate will be confirmed in the Financial Director role in the medium term.

Overall responsibility will be for the total finance function including the preparation of group statutory accounts, interim statements, divisional budgets and cash forecasts. Effective supervision of an established department will demand above average communication skills. Practical knowledge of computer applications is highly desirable.

Candidates should be qualified accountants (ACA, ACMA, ACCA) with a proven career record in the financial control of a manufacturing engineering business. The appointment will appeal to a hardworking, committed individual who would welcome the opportunity of joining a progressive profit-conscious organisation where medium and long term career benefits will be well above average. Relocation expenses will be met in appropriate circumstances.

*Ref: 84/840 FT*

**Apply in the first instance to**
**Brian R. Daniels, Daniels Bates Partnership,**
**Josephs Well, Hanover Walk, Park Lane,**
**Leeds LS3 1AB. Tel: (0532) 461671 (5 lines).**

Daniels Bates Partnership
PROFESSIONAL RECRUITMENT

# Accountancy Appointments

## Standard Chartered Bank PLC

### DEPUTY SECRETARY

The Group employs over 50,000 people in more than 60 countries. It is envisaged that the individual to be appointed will succeed the Secretary in 6 years time.

- THE TASK of assisting and deputising for the Secretary in his statutory duties will embrace servicing principal Board Committees. The head of a department of some 16 people at Head Office will report to the Deputy Secretary.
- THE REQUIREMENT is for a company secretary with a relevant qualification whose experience includes working in a large UK based public group with international interests.
- PREFERRED AGE 45-47. Remuneration not less than £27,000 and could be significantly more.

Write in complete confidence to A. Longland as adviser to the Bank.

TYZACK & PARTNERS LTD
SEARCH & SELECTION
10 HALLAM STREET · LONDON W1N 6DJ

## CHIEF ACCOUNTANT

**Licensed Dealer in Securities**

Exciting opportunity for enterprising accountant to assume financial and administrative control of rapidly expanding City-based Licensed Dealers. **Starting salary to £16,000 plus bonus with prospects of speedy and substantial progress.**

*Apply with full c.v. in strictest confidence to Box A8632 Financial Times 10 Cannon Street London EC4P 4BY*

**ACCOUNTANCY APPOINTMENTS**
**Rate £34.50 per Single Column Centimetre**

## Financial Controllers

**Cambridge & S.E. London — £15-17,000 + car**

Our client is a profitable privately owned multinational concern, manufacturing and trading a broad range of specialist high technology products. Turnover is currently c.£40m of which a major proportion is exported. As a result of expansion and acquisition, financial controllers are now being sought for each of the company's two principal operating units.

Reporting to the Group Financial Director, both roles place considerable importance upon effective communication with operational management in the use of reporting packages and information technology and require a positive and entrepreneurial approach in making a direct contribution to profitability.

Candidates will be qualified accountants (aged 28-40), who have gained broad systems and standard costing experience in a manufacturing or engineering industry environment.

A full relocation package is available where appropriate.

Applicants should write to **Allan Marks** at Bennetts Court, 6 Bennetts Hill, Birmingham B2 5ST enclosing a comprehensive curriculum vitae, quoting ref. B6164 and **indicating which location is of interest.**

MP
Michael Page Partnership
International Recruitment Consultants
London New York
Birmingham Manchester Leeds Glasgow

## European Financial Controller

**West Midlands — c.£18,000 + car**

The European Division of a US International Company controls subsidiaries in the UK, France, Germany and Switzerland. Turnover is c.£6m derived from the design, manufacture and marketing of components used structurally in the building industry. The Financial Controller, reporting to the European Managing Director, will be responsible for all financial and management reports, systems and controls, and tax and treasury advice. The ideal candidate will be a bright and energetic Chartered Accountant in his or her mid thirties with relevant European accounting experience, using computerised systems, and first class analytical and human relations skills.

Please send full career details stating any companies to which your application should not be forwarded.

CSR
Please write in confidence to Bryan McCleery
CSR
Recruitment Consultants
14 Bolton Street, London W1Y 7PA. Telephone: 01-493 2283.

## Overseas Companies Accountants

**London — c£15,000**

Willis Faber are a publicly quoted firm of insurance brokers and underwriting agents with total premiums handled well in excess of £1 billion. During the last few years our network of overseas offices has grown rapidly and we now wish to strengthen our small Head Office team with the following appointments:

### Deputy Overseas Accountant

London-based with some overseas travel, to assist and deputise for the Overseas Companies Accountant in the following tasks:

- management and financial reporting
- financial control
- financial planning
- ad hoc projects

Applicants should be qualified with 1-2 years post-qualification experience.

### Overseas Project Accountant

Reporting to the Overseas Companies Accountant, the job-holder will undertake projects mainly based in various overseas offices – about 75% of the time will be spent abroad. Projects will mainly cover computerisation of manual systems. We expect that after about two years the appointee will move on to a suitable UK-based position.

Applicants should be qualified with suitable post-qualification experience including systems work.

For both positions the ability to communicate well at all levels is essential.

For an application form, please telephone or write to: Mr Ian Goodhand, Personnel Manager, Willis Faber plc, Ten Trinity Square, London EC3P 3AX, clearly *indicating the position for which you are applying.*

Willis Faber

## Group Accountant

**Hampshire — c £17,000 + car**

A profitable UK holding company with diverse interests including computer peripherals, seeks a graduate chartered accountant to co-ordinate the group's financial function. A commitment to further expansion, both organically and by acquisition, coupled with a projected turnover of £4 million, should ensure a USM listing in the short term.

Providing a comprehensive accounting service for the group, the role will encompass the enhancement and development of existing systems. In addition, the group accountant will be expected to act in an advisory capacity to main board directors and participate in a wide range of commercial activities.

Aged around 30-35 you must possess a small company background, ideally at a senior level, but specifically with in-depth exposure to computerised systems. Commercial awarness, the personality to communicate effectively and a lively, enthusiastic disposition are seen as essential qualities.

An excellent remuneration and benefits package is offered and financial directorship is ultimately envisaged for the successful applicant.

Candidates should write to Andrew Sales, FCCA, Executive Division, enclosing a comprehensive curriculum vitae, quoting reference 130, at P.O. Box 143, 31 Southampton Row, London WC1B 5HY.

MP
Michael Page Partnership
International Recruitment Consultants
London New York
Birmingham Manchester Leeds Glasgow

## Senior Accounting Appointment

**Public Company South Yorkshire — £neg. + car**

A significant public company located south of Leeds is looking for a mature and adaptable accountant to play a key role at a very important stage in its development.

The position is a particularly demanding one. Preference will therefore be given to accountants who have already gained industrial experience in a well managed and substantial manufacturing company, with up-to-date planning and control systems, and a strong bias to data processing.

Consideration will also be given however to applications from young chartered accountants who can demonstrate first class training experience, good progress since qualification, and the drive and enthusiasm required to develop quickly in an industrial environment.

A competitive salary is negotiable, depending upon age and experience and a car and other benefits will be included in the package.

*If you are attracted by this interesting and challenging* opportunity and believe that you have the qualities required, please reply in confidence with brief career details, quoting reference L/406 to Mr C. I. McBride, Executive Selection Division, Peat, Marwick, Mitchell & Co., Airedale House, Albion Street, Leeds LS1 5TY.

PEAT MARWICK

## Taxation Manager

**PROCTER & GAMBLE LIMITED — North East**

Procter and Gamble Ltd is the UK operating subsidiary of one of the world's major international companies, marketing a wide range of products in over 150 countries.

This position, based in the UK headquarters, will reflect the extensive variety of this business activity and will carry responsibility for advising on the tax implications of proposed and existing policies, as well as managing a department which handles all the company's taxation affairs.

The successful candidate will have sound technical ability and experience in corporate taxation and the capability to apply their expertise to commercial situations. He/she will also be able to take a leading role in a highly professional and energetic management team.

The comprehensive package will be negotiated on appointment to attract the right person and will include relocation to Newcastle-upon-Tyne if appropriate.

Applicants should telephone **Graham Thompson on 0532 450212** or write, quoting ref. 1937/F to **Michael Page Partnership, 13/14 Park Place, Leeds LS1 2SJ.**

MP
Michael Page Partnership
International Recruitment Consultants
London New York
Birmingham Manchester Leeds Glasgow

## Hoggett Bowers

*Executive Search and Selection Consultants*
*BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD*

## *Chief Accountant*

***South Yorkshire, c.£15,000 + car***

This autonomous £15m T/O subsidiary of a major US company, manufactures and distributes worldwide a range of specialist products to the materials handling industry. Making use of sophisticated computerised systems, the financial function — with a complement of 20 people, is responsible for providing accurate, and timely financial and management information on the performance of the UK company and overseas operations. Candidates, in their early 30's, must be qualified accountants, with well developed management skills and experience in working for a company operating internationally. This experience must cover financial/management accounting, costing, and close involvement in the use, control and review of DP and administration systems. *This challenging role provides excellent scope for career advancement in a* highly stimulating working environment. Relocation assistance is available.

*A. Hill, Ref: 52810/FT.* Male or female candidates should telephone in confidence for a Personal History Form **0742-731241**, *Bank House*, 100 Queen Street, **SHEFFIELD**, S1 1UF.

## Financial Accounting Manager

**c£15,000 — West London**

Our client is a successful and well established group in the *entertainment service industry.* This new appointment, in one of its largest divisions (T.O. £12m) demands real skill in organising, managing and motivating staff.

Responsible for all financial accounting and a staff of 15, you will offer the Group Chief Accountant constant support during a period of growth and change.

Closely involved in the business itself, you will need clarity under pressure, confidence to work independently to the full extent of your authority and flexibility to undertake any task in an emergency.

Preference will be given to qualified people who are ready to make a real commitment and who thrive in a management capacity.

Please phone us immediately for an application form on (01) 409 1343 (24 hours) or write with full CV, quoting ref LT7, to:

Le Tissier Executive Selection, Ely House, 37 Dover Street, London W1X 3RB.

Le Tissier
Executive Selection

## Finance Director

**South Yorkshire**

Our client, a manufacturing and processing company employing over 1,000 people, is a principal subsidiary of a successful major public group.

The Finance Director is responsible for the operation of an established accounting and financial function in two UK companies and has overall *functional responsibility for a* European subsidiary and a Middle East associated company.

Candidates, preferably 33 to 40, must be qualified accountants used to working at or near Board level. They should have had direct involvement in capital project appraisal and development/acquisition studies in addition to substantial accountancy experience in a *significant manufacturing or processing environment utilising* computerised systems.

Salary around £18,000. A Rover 3.5 is provided together with other benefits including relocation assistance to an attractive area.

Please send full details – in confidence – to R. M. Cooper ref. B.60756.

*This appointment is open to men and women.*

HAY-MSL Selection and Advertising Limited, 474 Royal Exchange, Manchester M2 7EJ.

*Offices in Europe, the Americas, Africa, Australasia and Asia Pacific.*

HAY-MSL
MANAGEMENT SELECTION

# Accountancy Appointments

## Financial Adviser
### Overseas aid and development programmes

The ODA provides financial and technical support to aid programmes and development projects in the third world, either independently or in partnership with other organisations and governments. The department itself, and the managers of programmes, have a constant need for expert advice on the financial management of projects and for detailed analysis of systems operated in recipient countries. The person appointed will be responsible for providing such advice and will be based in Central London, with some overseas travel.

The scope of the work is broad and will include: assessing the structures of institutions in developing countries (eg parastatals, development finance institutions and cooperatives); advising on the financial management of technical cooperation projects; providing financial management and organisational advice on the appraisal and implementation of projects operated under delegated authority.

The Financial Adviser will also establish links with consultants and other UK-based institutions who can provide supplementary advice and training in financial management.

The successful candidate must be a professional Accountant, and must have wide management experience, preferably including knowledge of financial management in developing countries. Knowledge of relevant UK consultants and institutions would also be an advantage, as would the ability to handle, in order of priority, a number of concurrent issues.

The appointment will be for an initial 3-year period with the possibility of then being made permanent. Salary: (under review) £19,240-£23,155. Starting salary may be above the minimum for specially relevant experience.

For further details and an application form (to be returned by 19 June 1984) write to Civil Service Commission, Alencon Link, Basingstoke, Hants RG21 1JB, or telephone Basingstoke (0256) 68551 (answering service operates outside office hours).
Please quote ref: G/6230.

**Overseas Development Administration**

An equal opportunity employer

## SENIOR AUDITOR
### For efficiency audits and VFM studies across a broad range of airport operations

**c.£14,000pa** — **Gatwick, West Sussex**

British Airports own and manage seven airports in the UK *including* Heathrow and Gatwick, two of the world's major international airports.

A major proportion of our turnover is generated by private enterprise companies, operating a wide variety of trading concessions at each of our airports and an essential element of our auditing function is to ensure the efficient and accurate payment of income from these operations.

To help us achieve this we are now looking for a qualified Accountant to join the small and expanding efficiency audit unit at our Head Office in Gatwick.

The emphasis on the role will be within efficiency audit to head up a small group which undertakes on-going duties on concessionaires' systems and procedures, including the monitoring of contracts to ensure their correct interpretation and the investigation of discrepancies where necessary. However, you will also be involved as part of a multi-disciplined group in a wide range of VFM studies for all areas of our operation, where you will be expected to provide support in basic auditing techniques to other members of the group in order to extend their skills in the application of VFM methodologies.

Probably in your mid 20s/early 30s you should be a qualified Accountant with sound experience in auditing procedures, and ideally a knowledge of VFM study techniques. Success in this role will be largely dependent upon your ability to liaise effectively with various levels of management and achieve results against tight deadlines.

In the first instance write with full details of qualifications and experience to
Julia Shield, Personnel,
British Airports Authority,
Head Office,
Gatwick Airports,
West Sussex RH6 0HZ.

British Airports

Young commercially aware accountant as ....

## P.A. TO FINANCE DIRECTOR

**N/Central London** — **to £16,000**

An excellent opportunity to join a highly successful retail group having some forty outlets and a turnover in excess of £9m.

Working closely with the Finance Director, the appointee will become involved in a wider range of business matters within a small head office team.

Initially, priority will be given to the selection and implementation of an in-house computer system. Thereafter it is envisaged that the person appointed will eventually assume responsibility for the accounting function.

Candidates, aged between 27 and 33, should have at least two years experience since qualification, a knowledge of, or interest in computers and be keen to work in an environment that recognises ability, initiative and sound commercial judgement.

Applications should be submitted, enclosing career details to Richard Norman F.C.A. or Catherine Harrold at our London address quoting reference number 4546.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DOUGLAS LLAMBIAS
Douglas Llambias Associates Limited
Accountancy & Management Recruitment Consultants

## Commercial Accountant

**Epsom**
**Salary Indicator £14-15,000**

The Commercial Office of WS Atkins Group Consultants requires an accountant to be a member of a small *professional management team for offer* preparation and contract negotiation. Principal activities will be: costing and pricing of major bids, cost and risk analysis, assessment of overseas tax implications and inflation aspects, cash flow and ECGD insurance arrangements.

The Group is one of the largest engineering management and planning consultancies in the UK employing over 1400 professional and technical staff. Assignments in the UK and throughout the world encompass a very wide range of disciplines, having a marked technical content.

Candidates, in their early 30's, must have a degree and be professionally qualified accountants. International business experience within an engineering environment would be an asset.

Please write, enclosing career details, to Mrs P E Finch, Personnel Adviser, WS Atkins Group Consultants, Woodcote Grove, Ashley Road, Epsom, Surrey KT18 5BW.

**WS Atkins Group Consultants**
The Queen's Award for Export Achievement to the WS Atkins Group

## MANX ELECTRICITY AUTHORITY
## CHIEF FINANCIAL OFFICER

**Age: 40 – 50** — **Up to £18,000 +**

The Authority has a turnover of approximately £14 million and is responsible for the generation, transmission, distribution and marketing of electricity to over 30,000 consumers. The Authority came into being on 1st April 1984 on the merger of The Douglas Corporation Electricity Department and the Isle of Man Electricity Board.

Reporting to the Deputy Chairman and Chief Executive, the Chief Financial Officer will be responsible for the financial functions. Initially the prime task will be to develop the Authority's accounting policies, improve management information systems and develop planning and budgetary methods in conjunction with line management, including the development of computer based systems.

Candidates must be qualified accountants, preferably in the age range 40 – 50 with considerable financial and commercial experience. The Isle of Man is an attractive location with favourable tax advantages, including a top rate of 20% which enhances the salary offered. There are attractive fringe benefits and relocation expenses will be paid.

Please send a comprehensive career résumé, including salary history and day-time telephone number, quoting ref: 2172/FT to W.L. Tait, Executive Selection Division.

**Touche Ross & Co.**
Hill House 1 Little New Street London EC4A 3TR Tel: 01-353 8011

## ENTREPRENEURIAL FINANCIAL DIRECTOR DESIGNATE

**HIGH GROWTH LONDON BASED COMPANY**

We are a young, rapidly-expanding distribution and retail business in the microcomputer software field.

The company now seeks a well-motivated, qualified accountant, ideally aged 30s with previous key experience in a dynamic, high-growth environment and with potential to become a full Board member.

As well as assuming full control of accounting and finance, the successful applicant will be expected to contribute to the direction of the business as a key member of the management team.

General commercial flair is essential.

A competitive remuneration package is being offered which will include a company car. An equity option may be available in the medium term.

*Applicants should in the first instance write, enclosing c.vs., to:—*

Martin Blaney, Esq., Managing Director
SOFTWARE LIMITED
Unit 2, 2 Alice Owen, Technology Centre
251 Goswell Road, London, EC1

## FINANCIAL AND ADMINISTRATION MANAGER

**Excellent package + car** — **London**

*Interesting and challenging opportunity for an accountant with business management and administrative flair.*

Royal Sovereign, part of DRG (UK) Ltd, is engaged in the distribution of stationery, office and graphic products and the manufacture of branded items. The business is based in Drayton Park, North London and has an annual turnover of £6 million.

The business is a small, dynamic one and is characterised by an entrepreneurial trading style in both home and overseas markets. The Financial and Administration Manager will report to the Managing Director and will be a key member of the executive team.

The need is for an individual who can cope with the demands of this broad based role and who has the confidence and ability to contribute to the success of the business. Applicants must be qualified accountants with experience at management level, preferably in both manufacturing and commercial environments. It is unlikely that applicants under 30 will have the necessary experience.

An attractive salary and benefits package includes car, private medical insurance, pension scheme and relocation help where appropriate.

Please write giving full details to:
P. Kilpin,
Personnel Manager,
DRG Trading Business Group,
1 Redcliffe Street,
Bristol
BS99 7QY

DRG

## FINANCIAL ACCOUNTANT — £15,000

Rank Phicom Video Duplication, a London based firm with a German subsidiary, requires a young, energetic qualified accountant to be responsible for Credit Management and Control, Foreign Currency Exposure, Fixed Asset Reporting and the day to day running of a busy accounts department.

*Applicants should write to:*

Mr D. Burke, Financial Director
RANK PHICOM VIDEO DUPLICATION LIMITED
Video House, 48, Charlotte Street, London W1P 1LX

## Chief Accountant

**West London** — **c.£17,000 + car**

Fiat Motor Sales, the successful retail arm of the Fiat organisation in the UK, offers a *qualified, highly professional Accountant* the opportunity to become involved in the broadest aspects of a senior accountancy/administration role.

Reporting to the Managing Director, and working as a key member of the small management team, you will head up the companys 10-strong accounting function. *Your brief will embrace the provision of* management information, financial reporting and advice to the company and the group, and budgeting within very tight parameters. You will also be required to develop the already established financial computer system.

Aged 30 plus, you should have at least 5 years' post-qualification experience in a commercial environment, ideally but not essentially within the motor trade. Your personal qualities *must* include good communications skills, diplomacy and the strength of personality to succeed in a tough, competitive environment.

A salary c£17,000 is offered together with car and the other executive benefits *expected from a subsidiary of a major* international organisation.

Write with full C.V. and current salary to Gus Ferguson, Personnel Manager, Fiat Auto (UK) Ltd., Bakers Court, Bakers Road, Uxbridge UB8 9RG. Tel. (0895) 51212.

**FIAT MOTOR SALES** — FIAT

## EUROPEAN TROUBLE SHOOTER

**ACA aged 25-33** — **neg. to £18,000 + Benefits**

Our client, based in Silicon Valley down *the M4 corridor within one hour of* Heathrow, has in excess of $1,000 million turnover and is bang on target in the current year for a projected increase of over 40%!

The European interests have only 4% of worldwide staff, 80% of whom are professional, yet currently account for 25% of turnover.

This key ACCOUNTANCY appointment is available to an individual with an unusual combination of drive, stamina, self-reliance, high workrate combined with intelligence and personal sophistication.

Only self-motivated individuals with a strong professional background, evidence of personal excellence and enthusiasm for a position offering a springboard to a "*fast-track*" career with an aggressive U.S. multi-national should apply.
The initial position involves a high travel content to over 30 prime EUROPEAN locations plus the opportunity twice a year to visit corporate H/Q in the U.S.A. for *information* exchange visits with senior financial management.

A strong investigations background and possibly some international experience would be advantageous but no second European language is necessary in this case.

IMMEDIATE INTERVIEWS will be arranged for front runners with the company's adviser. Please telephone and send career details to:—

George D. Maxwell, Managing Director
ACCOUNTANCY APPOINTMENTS EUROPE
The International Business Centre,
1-3, Mortimer Street, London W1N 7RH
Tel: 01-637 5277 (12 lines)

*University of London*
## FINANCIAL ACCOUNTANT
**£10,000 +**

*The professional accounting team of the Central University needs* a recently-qualified accountant or finalist (ACA, ACCA, CIPFA).

Reporting to the Chief Accountant, your responsibilities will include the preparation of monthly and annual accounts and reports. You will need a mature professional approach and be able to liaise effectively with administrators at all levels.

*Contact the Personnel Officer for further details at:*
University of London
Senate House, Malet Street, London WC1E 7HU
01-636 8000 Ext. 3248

Applications should be returned as soon as possible and in any case not later than the 18 June 1984. The starting salary will be according to experience and qualifications.

## CHIEF ACCOUNTANT

Chief Accountant required by engineering contractors specialising in electrical and mechanical environmental services, based in West London, with £8m turnover.
The successful candidate will be a Chartered Accountant aged about 30 with experience in the contracting industry to take charge of a small computerised office with responsibility to prepare monthly accounts, and reports to management, and maintain and improve all accounting functions.
Salary package in the region of £15,000-£17,000. This is a new appointment with an opportunity to join a progressive and expanding company with real prospects for advancement.

*Apply in first instance in writing with full CV to:*

BARNES ROFFE
Chartered Accountants, 23-24 Bedford Row, London WC1R 4HA
quoting Ref: DD/J.

## GROUP ACCOUNTANT

**NORTH WEST LONDON NEGOTIABLE TO £14,000 pa**

We are a highly successful public company operating internationally in specialist industrial markets. An opportunity arises to join the finance team at Group Head Office. The position demands the ability to cover a wide range of activities including the provision of management information to the Main Board, Head Office accounting and administration and requires regular contact with the Financial Directors of Group companies.

The successful candidate is likely to be a Qualified Accountant of above-average ability and personal skills. It is likely the person appointed will be recently qualified but we do not exclude older candidates who are qualified or who can demonstrate considerable relevant experience.

*Write in confidence with full personal and career details to:*
Mr. R. I. Howard, Company Secretary
Halma p.l.c., Halma House, Kingsbury Road, London NW9 8UU
Tel: 01-205 0038

# Accountancy Appointments

**Planning Accountant — European HO**
**Middlesex**
**c£13,000**

Following a recent promotion to a Controllership, this world leader in marketing of consumer products seeks an ambitious, newly qualified accountant to assume a key role in the central finance team. Responsibility will include preparation of the profit plan and reporting on treasury for the European Market, utilizing sophisticated computer systems. Call Penny Strawson B.A. — Ref: 7936

**Management Analysis — Oil**
**C. London**
**£14,000**

Our client, a major oil multinational, offers a well defined career path to young, newly qualified accountant. Initial responsibilities include budgeting, financial analysis, planning and organising presentations to senior management using highly sophisticated computerised systems. Commercial experience and well developed communication skills would be advantageous.
Call Ian Gascoigne M.A. — Ref:7886

**P.A. to Chairman**
**Newly Qualified**
**City**
**to £15,000**

An excellent and unusual opportunity for a commercially aware young accountant to work on investigations, acquisition appraisals and project analysis for the Chairman of a diverse City group with interests in the U.K. and overseas. The successful candidate will have an independent approach and should be ready to take on general management responsibility in a subsidiary after two years.
Call Jane Woodward B.A. — Ref: 7921

**European Audit**
**US Hi-Tech**
**Heathrow to £16,000**
**Brussels to £22,000**

Appointment occasioned by promotions to management roles in the U.K. and Europe, and affording similar prospects to the CA with management skill and able to develop fluency in French, Italian or German. Well rounded operational involvement with local management, good travel benefits and free weekends returning to base as a matter of personal choice. Call Robert Miles — Ref: 7897/7923

**Management Consultancy**
**£16,000—£25,000+car**

This top international consultancy is currently seeking young graduate accountants who have achieved management status and trained in progressive industries. As part of a multidisciplined team Senior Consultants carry out Review and Report Assignments which provide financial measurement of performance to set corporate business targets. Preferred candidates should be ACMA's and under 30.
Call Bill Curteis B.A. — Ref: 8010

**Personnel Resources**
75 GRAYS INN ROAD, WC1X 8US 01-242 6321

---

## Young Dynamic Accountants – International Financial Services

Earnings package c. £21,000 — Croydon

Our client is one of the largest British financial companies, which derives two thirds of its income from overseas business conducted in most countries of the world. To strengthen the International Finance Division, two further qualified accountants are required, probably in their late twenties or early thirties. Each of them will be a key member of two small teams working on challenging and wide ranging projects *with minimum supervision.*

### Corporate Finance Accountant

Working with senior management, tasks will include the investigation of proposals covering acquisitions and disposals as well as other strategic worldwide financial projects. Ref. B.43762.

### Systems Development Accountant

Leading projects and participating as a member of a team, tasks will include preparation and design of financial and management information systems in conjunction with computer systems analysts. Responsibility for implementation of new systems will also form part of the job. Ref. B.43763.

Base salary for both positions around £19,000 plus very attractive home loan facilities, pension scheme and many other benefits. Excellent career opportunities.

Please write – in confidence – with full details, or ask for an application form, stating how you match the requirements to David Bennell, quoting appropriate reference.

*These appointments are open to men and women.*

HAY-MSL Selection and Advertising Limited,
52 Grosvenor Gardens, London SW1W 0AW.

*Offices in Europe, the Americas, Africa, Australasia and Asia Pacific.*

**HAY-MSL**
MANAGEMENT SELECTION

---

## *Financial Controller*

*c. £17,000*

A very successful subsidiary of a major British corporation, our client manufactures and markets products for the building industry. Based in the South East of England, this company has a vacancy for a Financial Controller.

You will be responsible to the Financial Director for managing the company's accounting function, which has a staff of 27. You will provide the Financial Director and Senior Management with financial information, liaise with corporation staff and auditors on accounting standards, deputise for the Financial Director and play an active part in the Senior Management team.

You will probably be over 30 with experience of management accounting in a manufacturing environment, including responsibility for business planning and budgetary control systems and the production of monthly and annual accounts to rigorous timetables and high standards.

In addition you will be experienced in the development of computerised accounting systems. A self-starter with people management expertise you will want to be involved in the business and will be capable of more responsibility in time.

Our client offers good career development prospects and supporting benefits and relocation assistance where appropriate.

Please write, with full personal and career details to the Confidential Reply Service, Ref: ASF 9012, Austin Knight Advertising Limited, London, W1A 1DS.

Applications will be forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter to the Confidential Reply Supervisor.

*Austin Knight Advertising*

---

## Recently Qualified Chartered Accountant

### Around £12,000 p.a. plus banking benefits

Banque Nationale de Paris p.l.c. the UK subsidiary of one of the world's largest banking groups, provides a full range of international banking services to UK and multinational corporate clients.

We now have an opportunity for a recently qualified Chartered Accountant to join our Management Accounting team, reporting to the Deputy Chief Accountant. You will be expected to supervise a small section and among your responsibilities will be the preparation of the bank's consolidated annual accounts including leasing and other subsidiaries, management accounts and returns to the Bank of *England, corporate taxation and involvement in the development of* management information systems.

Opportunities for career progression exist in the UK and later, if appropriate, in the international network of the BNP Group.

If you are a recently qualified Chartered Accountant and can show positive leadership qualities and potential for future development, please write with full career details to Mrs. Paula Keats.

**Banque Nationale de Paris p.l.c.**
8-13 King William Street, London EC4P 4HS.
Tel: 01-626 5678.
BNP

---

## FINANCIAL CONTROLLER

**High Technology — Circa £22,000 + car**
**Exceptional Opportunity**

Our client is one of the world's most sophisticated producers of sheet metal, using computer-aided design (CAD) and computer-aided manufacture (CAM).

The position of Financial Controller, which is a new appointment, is an unusually interesting one as the Company's intention is to move rapidly towards acceptance on the Unlisted Securities Market. There is a small and dynamic management team in which the person appointed will play a significant role. The initial requirement will be for a complete review of all computerised accounting systems and in particular the company's costing systems.

Candidates, aged 30-35, should have demonstrated progressive achievement in the financial function in both small and large companies. They will be Chartered Accountants supported by an MBA or similar, and will have shown their commercial application through the recognition of new opportunities.

The appointment has exceptional career development potential and will be followed, in a short time, by election to the Board.

Please write in the first instance to George Henderson, Grosvenor Stewart Limited, 62 Pall Mall, London, SW1Y 5HZ. Telephone: 01-930 7966 (24 hour answering).

**GROSVENOR STEWART**
INTERNATIONAL RECRUITMENT CONSULTANTS *London and Brussels*

---

## Group Management Accountant

### Computer Systems

Central London — £16,000-£20,000

Milbury PLC will achieve a turnover of £50m. this year from activities in house-building, property development and investment and building contracting. The group has ambitious plans to continue its rapid expansion and diversification, both organically and through acquisition.

This new post is part of a young professional finance team at the centre of the group. The challenge is to control the development and implementation of computerised management information systems at both *operating company and head office locations. In a constantly changing environment, these systems must* not only meet today's needs but also anticipate tomorrow's.

Probably aged 25 to 30 and qualified, you should have several years' management accounting experience in a group head office and have played a key role in a computerisation project, ideally on an IBM mini. A combative self-starter, you must be able to win others' confidence and co-operation.

Salary will depend on experience. Benefits include car, BUPA, individual pension plan and relocation assistance, where appropriate.

*Please write with full career and salary details – in confidence – to Peter Evans ref. B.49216.*

*This appointment is open to men and women.*

HAY-MSL Selection and Advertising Limited,
52 Grosvenor Gardens, London SW1W 0AW.

*Offices in Europe, the Americas, Africa, Australasia and Asia Pacific.*

**HAY-MSL**
MANAGEMENT SELECTION

---

## FINANCIAL CONTROLLER

Dagenham — £15,000 plus car

Our clients are a privately owned group of companies specialising in freight forwarding and international haulage. They wish to recruit a financial controller for the head office of the group and of the principal operating subsidiary, based in Dagenham.

This will be the senior financial post at head office with full responsibility for the control of the accounting function there, including the development of budgetary control and the provision of effective, comprehensive and accurate data on all aspects of the operations. Systems are computer-based and their continuing development will be essential.

Candidates should be qualified, aged early 30's to mid-40's, with a variety of experience, including staff management and preferably with a privately owned group. A good understanding of the use of EDP and of consolidated accounts is essential. The commencing salary will be around £15,000 per annum plus car, contributory pension and private health insurance; for those wishing to make a career with this growing group, the position offers excellent prospects.

*Applicants should write in confidence with full details of previous experience and current salary, quoting reference S 2062 to:*

Annan Impey Morrish
Management Consultants
40/43 Chancery Lane
London WC2A 1JJ

(A.I.M.)

---

## FINANCIAL CONTROLLER

**c.£12,000**

We are the market leader in vehicle leasing and contract hire, offering wide-ranging services to help our customers plan and control their vehicle costs.

Our Financial Controller has been promoted internally and we now seek to replace him with a qualified Accountant with the necessary personal and management skills to join the executive team directing the overall operation of the business. Age is not a critical factor but the appointment offers an excellent opportunity for a mature, possibly recently qualified Accountant, ideally with some experience in a fast moving competitive business.

Swan National is a member of the TSB Group. c.£12,000 + car + benefits, and excellent career prospects exist. Relocation assistance is available if necessary.

Please send full details to:

**Mr. M. D. Nicholas,**
**SWAN NATIONAL LIMITED,**
**James House,**
**55 Welford Road, Leicester LE2 7AR.**
**Tel: Leicester (0533) 545020**

**SWAN NATIONAL LEASING**
(a TSB Group Company)

---

## FINANCIAL CONTROLLER

LYMINGTON, HANTS

**c. £20,000 dependent on age and experience**

BROOKES & GATEHOUSE LTD, a member of the Unitech Group, seeks a qualified accountant to form part of the management team. B&G is a successful business making electronic equipment principally for the marine leisure market worldwide.

Reporting to the M.D., the Financial Controller will be responsible for all the financial accounting and secretarial activities of the company and will be expected to make a full contribution to business strategy.

The successful candidate will have experience of manufacturing industry and computerised systems and is likely to be in the age range 28-33 years. An active interest in sailing would be an advantage.

*Please write in confidence with full details to:—*
J. R. C. Turner, Managing Director,
BROOKES & GATEHOUSE LTD.,
Bath Road, Lymington,
Hants SO4 9YP.

---

## FINANCIAL CONTROLLER

### (Finance Director Designate)

**£17,500+car+usual benefits**

Expanding progressive company based in Swindon distributing automotive parts countrywide seeks qualified accountant 25-35. The successful applicant would be offered a seat on Board after trial period and must be competent to oversee full computerisation of accounting records.

*Apply in writing to:*
EVANS RANKIN,
9 John St, WC1N 2EZ
(Ref AS 76)

---

## Financial Controller

c£12,000 — London WC2

An exceptionally worthwhile position has arisen for a senior accountant who can offer professional expertise, guidance and dedication at a top level within the UK Committee for the United Nations Children's Fund (Registered Charity). Initial responsibilities will include the development and supervision of new computerised systems for recording and analysing the Committee's rapidly increasing income. Please write, enclosing full curriculum vitae, to Halina Scharf, PER, Rex House, 4th Floor, 4-12 Regent Street, London SW1Y 4PP.

UNICEF — PER Executive Selection

---

## QUALIFIED ACCOUNTANT

An unusual and challenging opening within a small (3 million turnover) Hi-Fi Retail operation, at its London Bridge Head Office.

This highly dynamic and fast-growing Company is looking towards a USM placing within 5 years, as part of a continuing programme of expansion, and has a vacancy for a Qualified Accountant.

The successful applicant will be part of a vital decision-making team, and a committed, conscientious and enthusiastic approach is essential.

He or she will be required to carry out a variety of financial duties as part of a small team, reporting directly to the Managing Director.

Age, or retail experience, are unimportant. The Company will provide an attractive package of benefits, with a salary of around £15,000 p.a., plus car, bonus scheme and BUPA.

Please send C.V., in complete confidence, to Julian Richer, Managing Director.

**Richer Sounds Limited,**
2 London Bridge Walk, London S.E.1.

---

## *Taxation Accountant*

### *Knightsbridge*

You would be responsible for the preparation and submission to the Inspector of Taxes of tax computations relating to a portfolio of UK group companies, including double tax relief in respect of overseas income. You will also be involved in year-end tax accounting and forecasting work together with special exercises in tax planning from time to time.

Candidates should be young qualified accountants, preferably with experience of corporate taxation: your future could lie within the tax specialisation or elsewhere within the corporate accounting function.

We offer a competitive salary, usual benefits associated with a large organisation including free lunch and 24 days holiday.

Applications should be made with a detailed CV to:
Miss Alison J. Try, Personnel Assistant,
Bowater Corporation plc,
Bowater House, Knightsbridge,
London, SW1X 7LR.
Telephone: 01-584 7070.

# THE ARTS

## A Chatsworth sale that could open the floodgates

Antony Thorncroft suggests safeguards for the national arts heritage.

On July 3 at Christie's the Duke of Devonshire is selling off nearly 70 Old Master drawings, including major works by Raphael, Rubens and Rembrandt. For the Duke it is judicious cropping of the Chatsworth collection of around 2,000 drawings to raise money to improve his domestic arrangements.

For those concerned about protecting the national heritage it is a timely reminder of the constant threat to Britain's art, and of the need for more effective measures to protect the UK's position in the world as the greatest treasure house of works of art.

For few in the art world doubt that the Getty Museum of California will be bidding at Christie's and that its presence will push the value of the collection far higher than £5m, the price which the Duke is thought to have offered the drawings to the British Museum, with no success. To keep to its statutes the Getty must spend approaching £1.5m a week (although not necesarily on works of art) and drawings of this quality are much to its taste.

If the drawings attract very high prices it will encourage owners of comparable works of art to sell through the auction houses to take advantage of the current art boom. It could also precipitate another last minute (and expensive) attempt to try to keep the drawings in the UK. After years of relative calm, when few really important treasures were exported, the arts lobby is putting pressure on the Government to accept modest changes now which could forestall a succession of "heritage in danger" alarms in the future.

It is impossible to know what exactly is at risk in the stately homes because so much is now held in Trust, the traditional way of reducing death duties. The Duke of Devonshire made over Chatsworth and its main contents to a Trust in 1981 which should greatly reduce the impact of Capital Transfer Tax on his heirs when he dies. The Harpur-Crewe family failed to protect Calke Abey in a Trust, causing a crisis which, on this occasion, the Government was happy to defuse with a generous Budget Day grant to safeguard the house.

Trusts are the first line of defence for the rich. The second is conditional exemption from Capital Transfer Tax if the works of art are on view to the public. This unlocks the doors of many fine houses to the curious and also encourages owners of valuable pictures to offer them on loan to national art collections which, of course, assume responsibility for them. But that just postpones the problem. If a family needs to raise money and can only do so by, say, selling a valuable Old Master, the heritage is immediately in danger.

The dilemma is well illustrated by the recent case of the Duke of Sutherland's paintings. He has placed on loan to the National Gallery of Scotland for many years now around 30 fine paintings, perhaps the best collection of its kind in the country. Recently he needed to raise some money and offered four of them, including a Tintoretto, to the Gallery for around £2m. In purchasing them the Gallery exhausted its annual acquisitions grant and still required a contribution from the National Heritage Fund to keep the paintings hanging on its walls.

But the need to retain these paintings meant that the Gallery could make no move when another famous painting with Scottish links, the Crucifixion attributed to Duccio, became threatened. Manchester City Art Gallery has led the £1.798m appeal to keep this panel by the Sienese master in the UK, where it has been for over 160 years, but despite a generous £500,000 contribution from the National Arts Collection Fund it is possible the money will not be raised and this undoubted masterpiece will be exported to the Getty.

The National Heritage Fund did not feel able to make a donation, partly at least, because its resources are being stretched in preserving great houses, like Belton and Calke Abbey and partly because it had recently helped to save not only the Sutherland paintings but also an important Bassano, *The Way to Calvary*, which is now safely in the National Gallery.

The Bassano offers an example of a measure at present in force to safeguard the heritage. Its owner, the Earl of Bradford, needed to raise money to meet death duties. The Bassano was the masterpiece of his collection at Weston Park and by selling it he raised around £1.2m and can now safeguard his inheritance. But he sold it to the National Gallery through a private treaty sale. By doing so he paid no tax but agreed with the Gallery on a division of the benefit of the 100 per cent tax exemption: this can usually be negotiated at around a 25 per cent share for the vendor.

Such an advantage has made private treaty sales to public institutions seem attractive compared with the alternative—selling through the auction houses where the prices raised might be higher but so will the tax burden, plus other disadvantages like not finding a buyer and possible problems over an export licence. The National Gallery has acquired 13 important paintings through private treaty sales in the past four years, often with help from the Heritage Fund and the National Art Collections Fund.

But although the scheme is attractive to sellers of fine paintings the value of the system depends upon their tax situation and also upon the capacity of the art gallery, or museum, to have the funds. This is the basic problem. Sir Michael Levey, director of the National Gallery, makes no secret of the fact that he wants to buy a Gauguin. There was one available in New York last month. It sold for £2.75m: the Gallery's annual purchasing grant is £3.3m.

By increasing the purchasing funds of the national institutions the Government would not only build up good will among a vocal lobby but could also save itself money in the long run. There seems certain to be stronger bidding in future from foreign buyers for our national heritage: the Reviewing Committee on the Export of Works of Art (which examines important items) recently reported that, after investigating around 20 cases a year for many years, in the first half of 1983 (the time covered in its latest report) it had to decide on over 50.

Price inflation among the greatest works of art, allied to the almost unlimited cheque books of some American museums and the fall in sterling against the dollar will create a constant succession of art crises. If the British Museum had been able to acquire the Chatsworth drawings the price paid would have been much lower than the likely prices at auction. But if the Reviewing Committee recommends a delay on the export of any of the drawings to give British institutions the chance to acquire them the institutions have to match the auction price.

More Government money for purchasing grants, although the easiest solution, is the least likely. There are alternative palliatives. One is extending the delay of an export licence. At the moment the Reviewing Committee can hold up the export of a work of art deemed to be important to the national heritage for up to six months. Stretching this to a year might deter some foreign buyers from bidding, and would also give our museums more time to match the price.

Of more significance could be a less grudging Treasury attitude towards a possibility already on the statute book which enables works of art to be accepted as payment in kind for capital transfer tax. The law provides that any object so accepted is exempted from tax, but the Treasury appropriates 75 per cent of the 100 per cent exemption, allowing the giver of the work of art only 25 per cent of the amount of his liability to be written off in the books. This Treasury stratagem has been widely criticised as excessive, most recently by a House of Commons Select Committee. If the benefit of the tax exemption was divided 50/50 between the parties this protective tax mechanism would be resorted too much more frequently. Last year tax debts of only £815,000 were settled in this way.

And if the Government wanted to make an inexpensive gesture towards the art world it could remove the VAT which national galleries and museums have to pay on the auction or dealers' commission. Sales to foreign buyers attract no such tax but when the National Gallery bought Pissarro's *The Avenue, Sydenham* at Sotheby's recently it had to find an extra £6,000 in VAT.

Other countries preserve their heritage by virtually prohibiting the export of valuable works of art. The present Government might well find this too restrictive on the rights of owners of works of art to dispose of them as they wish. It is also aware that the UK is still the centre of the international arts market and that, in an average year, the value of antiques being exported is just about matched by the imports. But if giving more funds to museums and art galleries in recognition of the extraordinary increase in art prices in recent years is not possible the Government could promote and facilitate the under-used protective measures already available.

Of course the alternative view is that the UK has so many art treasures, most of them acquired from Italy and France around 200 years ago, that losing a few would not be too much of a disaster. What does it matter if 70 Old Master drawings belonging to the Duke of Devonshire are sold overseas when the British Museum already contains the best collection in the world? No doubt the British public treats its heritage in a casual and uncommitted way, but once any Government is seen to have an uncaring attitude to the export of works of art the floodgates could open and what is a great tourist attraction, as well as being a source of national pride and identity, could quickly slip irretrievably away.

A Rembrandt landscape from the Chatsworth collection to be sold at Christies next month

## Stockhausen's Saturday takes the coconut

**Dominic Gill** reports on another "day" in Stockhausen's life work

In order to understand how any composer could present to his public an "opera" so ungainly, so cumbersome, and so profoundly untheatrical as Karlheinz Stockhausen's new *Samstag*, it's as well first to examine the peculiar mechanism of the enterprise. *Samstag aus "Licht"* (which is the composer's full title) is the second completed "day" of *Licht*—a project of super-Wagnerian proportion comprising seven stage-works, one for each day of the week, which Stockhausen eight years ago announced would occupy the next 20 years or more of his composing life.

As a result of this grandiose plan, every new Stockhausen work as it emerges may be considered and performed (by those who commission it) as a separate, usually instrumental, piece in its own right; but eventually it must take its place as a further chapter in the larger scheme of *Licht*. *Der Jahreslauf* for dancers and orchestra, a one-hour scene from *Dienstag* performed in Japan in 1977, was the first to be so conceived; later came *Donnerstag*, in three scenes with an overture and coda, given complete in 1981; and now *Samstag*, in four scenes with an overture, unveiled last week in a Scala production at the Palazzo dello Sport in Milan.

This has meant inevitably that the greater part of each day of *Licht* has already been heard elsewhere before its integral premiere. I reviewed the first scene of *Samstag* in the autumn of 1981 when it was presented as, essentially, *Klavierstück XIII* performed as a concert piece by the composer's daughter Majella with a handful of visual effects and the addition from time to time of a few bass-voice phrases. The second scene of *Samstag*, called *Kathinkas Gesang* ("Kathinka's song") for flute and six percussionists, was a Südwestfunk commission premiered last October at the Donaueschingen Music Days. The final scene, *Luzifers Abschied* ("Lucifer's farewell") was commissioned in 1982 by the Perugia Festival and performed by the Handel Collegium of Cologne in Assisi in the same year. Thus only the short overture of *Samstag*, a brilliantly effective and sonorous *Samstags-Gruss* for 26 trombones and two percussionists, and the third scene, called *Luzifers Tanz* for full wind orchestra, commissioned by the University of Michigan last year for its Symphony Band but not yet performed, were in this first complete assembly strictly "new."

The next, and perhaps the most important, thing to be said about *Samstag* is that it is not, in any useful sense, an opera at all. The voice throughout plays a subsidiary role: distinctly optional in the first scene, absent entirely in the second, largely redundant in the third, and only substantially present, chorally, in the last. That might not have mattered. If Bach had taken a cantata, a flute sonata, a keyboard concerto, an organ toccata, a Brandenburg, and a handful of scattered numbers from the Passions and the Forty-Eight, bound them all in one volume, added a few stage directions, and thrust them all forthwith on to the stage under the title of "opera," we should willingly have forgiven the misleading nomenclature for the very quantity of wonderful music such a hybrid work contained.

If Stockhausen had done the same, and left it at that, present-day audiences would most likely have been nearly as pleased. But Stockhausen has not: he has stirred up his mixture once again with such a generous measure of ersatz "operatic" seasoning and kitschy stagecraft — and leavened the whole with contrivances of such mind-bending theatrical ineptitude — that the musical riches of his score, such as they are, have been nearly all overwhelmed.

It is ironical, but perhaps not surprising, that my comments on *Donnerstag* three years ago, in virtually every instance, also apply precisely to the new *Samstag* — but with still sharper point. Where *Donnerstag* was a heterogeneous patchwork, *Samstag* is a collection of blatantly unsewn fragments; where *Donnerstag* had at least certain moments of theatrical repose during which the music could emerge unscathed, *Samstag* is a relentless and exhausting pantomime.

The air of grand self-certainty which permeates the undertaking is emphasised by the style of the programme-book (whose cover is designed by the composer), which acknowledges only a work with "music, libretto, dance, action and gesture by Karlheinz Stockhausen." The indispensable roles of Luca Ronconi as producer, Gae Aulenti as scene and costume designer and Vannio Vanni as lighting director are nowhere acknowledged — except on a separate Scala handbill for the event. It was that trio's real and remarkable achievement to have devised together such an effective stage-plan for a piece that is essentially unstageable.

Milan's Palazzo dello Sport was transformed for the occasion into a theatre in the round the size of a football pitch. At one pole the massive globe from *Donnerstag* ("Michael's journey round the earth") and a grove of trees dominate the scene; at the other, a small stage and a huge scaffold structure. Point east has as its focal point a piano-coffin decked with flowers; point west is bare. What happens in all these places is sometimes static, sometimes busy, but always mesmerisingly irrelevant to the music, and to its perception by the audience who sit or sprawl on sausage-shaped bean-bags at the centre of the pitch, the hub of the wheel.

Some of the best music of *Samstag's* three and a half hours, in so far as it can be extracted and considered apart from the theatrical kitschery, is very fine. *Klavierstück XIII* is a brilliant keyboard essay, which I have reviewed already on this page (it remains the only piano piece I know in which the performer's bottom plays a sensuous, and surprisingly effective, part). The second scene, *Kathinkas Gesang*, written for and performed by the flautist Kathinka Pasveer with six percussionists (dressed for this occasion like black soldier-beetles), also contains many arresting musical flights: in particular some voice-fluting beautifully executed, and many extraordinary combinations of timbre. The purely musical success of these two sections, at any rate, is self-contained, and relates to nothing before or after.

The third scene, *Luzifers Tanz* for wind orchestra, gilded by the wonderful bass voice of Matthias Hölle, I found impossible to disentangle from the hocus-pocus which enmeshed it of giant stilt-walkers, smoke-bombs and Markus Stockhausen trumpeting on his back from a TV-hoist — but I suspect that suitably divested, it will yet make an impressive concert piece. It provides, at any rate, the evening's only genuine *coup de théâtre:* the scaffold's curtain falls to reveal the wind band seated like an immense tableau before us in six vertical tiers.

It was Noël Coward who described *Camelot* as "like *Parsifal*, without the jokes." Stockhausen unwittingly caps the conceit: *Samstag* is like *Parsifal, with* the jokes. The first, less heavily executed, could be quite funny: the third scene ends in confusion, as the wind orchestra (recalling Stockhausen's troubles with the Scala chorus three years ago) goes on strike, and shouts insults at the composer. The second joke ends the opera. Two dozen male singers dressed as monks, who have muttered and intoned for more than an hour until the audience is fast asleep, suddenly go mad and skip around, twittering like idiot schoolboys, smashing coconuts. Since no one, even at this late stage, yet has the faintest idea what *Samstag* is actually about, it was never clear whether this curious conclusion was apt or wholly gratuitous. At the very least, it gave most of us a piece of coconut to nibble on the way home.

## Kun Woo Paik/Wigmore Hall

**Dominic Gill**

If the Korean pianist Kun Woo Paik had indeed been giving, as his publicity originally announced, "the complete piano works of Liszt," he would have been playing not just six Tuesday recitals this month and next, but every Tuesday until the end of the summer. As it is, the enterprise is remarkable enough: in six programmes he offers nearly one half of Liszt's 100-odd opus numbers for solo piano (excluding the incidental pieces and the many dozens of arrangements and transcriptions), in various combinations, sometimes contrasting early with late, sometimes concentrating on a particular period.

His first recital of the series on Tuesday was a programme of contrasts—and indeed Mr Paik himself is a pianist of definitely uneven and contrasting colours. His performances seemed to exist on two planes: in the louder, faster music a circus of frenetic, daredevil hammering which eventually broke one of the treble strings, and which as often as not missed the central textural point of the music; and frequently interspersed with this, at every speed and dynamic, playing of notable refinement and delicacy. I found it impossible to relate the two manners: but together the impression they gave was rather that of an irrepressible enthusiast than a master.

Since Mr Paik lacks a truly transcendental technique it was odd of him to choose in every case the earlier, and far more taxing second (as opposed to the familiar third and final) versions of four Etudes with which he opened his programme — though it was fascinating to hear the huge *Grande fantasia sur La Clochette*, even so splashed and hammered, precursor of the famous *La Campanella;* and a weird conflation of early and later versions of *Mazeppa*—presumably his own?

He continued with austere and delicate accounts of some very late pieces—*Nuages gris* of course, and *La lugubre Gondola*, and also the extraordinary *Trauermarsch* of 1885 which looks forward directly to the spare textures and percussive effects of Prokofiev and Bartok. The B minor sonata came last, done with the same mixture of splash-bang and sensitive brilliance, another split-personality performance—which I confess to enjoying a great deal for its very instinctive insight and irrespressible zest. Mr Paik's heart doesn't always communicate accurately to his fingers: but it's in the right Lisztian place.

## Swan Lake/Coliseum

**Clement Crisp**

As a collection of received ideas about "ballet" *Swan Lake* is a marvel. It enshrines every time-worn cliché and sunny misconception about the art of classic dancing that audiences today have learned to accept. It proposes romantic love at its most witless and drama at its least convincing, and accompanies it with a glorious score to ease the parade of costumes and emotional agonisings that are its usual fabric. That it is also a theatrical machine of surpassing efficiency in holding public attention is known to every management which stages it.

But that *Swan Lake* can also be seen as a masterpiece, containing passages of superb choreography and demanding the rarest qualities of style and interpretative genius, is a secret possessed now, I suspect, only by the Kirov Ballet. Our indigenous productions, and those I have seen in Europe and North America, do no more than stress its most predictable aspect as a crowd-pleaser.

It is thus that London Festival Ballet would have us accept it, and thus it seemed on Tuesday at the start of a week's run of performances which will bring seven different couples to its leading roles. Andria Hall and Ben van Cauwenbergh were the principals, their interpretations rather muted in feeling and coarse-grained in statement, with an ensemble whose activities are divided between trailing yards of Gothic accoutrements or nipping energetically through some undistinguished variations and group dances.

Of formal precision and clarity, of the lyric resonance and fervour in Chaikovsky's score which might awaken a no less fervent response in dancers and in stage imagery, there was little trace. What the audience saw was "their" *Swan Lake* in all its hallowed familiarity, and they were—if enthusiastic applause is any criterion—neither disappointed nor deceived in their expectations.

## Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

June 1–7

### Exhibitions

#### PARIS

**Camille Claudel:** 70 sculptures accompanied by paintings, drawings and engravings prove the individuality of Rodin's pupil who, through her realism and, later on, a sense of the theatrical, found her own way. Müsée Rodin. Closed Tue. Ends June 11 (705 0134).

**Masterpieces of American Painting 1760-1910.** More than 100 paintings – among them Whistler's Mother, Sargent's Madame X and Mary Cassatt's Impressionist work – span 150 years of American creation. The panorama of realistic portraits, dramatic landscapes, genre scenes and symbolist paintings culminating with Homer and Eakins and proves abundantly that the New World did not have to wait for the contemporary period to affirm a powerful identity of its own. Grand Palais (261 5410). Closed Tue. Ends June 11.

**The Treasure of Saint-Mark:** Throughout the centuries the Venetians have amassed priceless chalices, reliquaries, icons and liturigical objects from different periods and different sources, especially Byzantine ones to the glory of their patron saint and their proud city. Venetian goldsmiths were so influenced by the fabulous collections housed in their Basilica that they themselves became pastmasters of "Oeuvre de Venise" – a style and art of their own. Grand Palais, closed Tue, ends June 25 (261 5410).

**Splendours of Tapestry.** 60 choice hangings from the 15-17th centuries lent by museums, private collectors and gallery owners, among them the admirable Christ's Carrying Of The Cross in wool, silk and gold, *Noah's Drunkenness* set against a fantastic feudal castle with monsters and exotic birds in singing colours and the Foraging Party from the suite of the Art of War tapestries. müseé Jacquemart-Andre (227 3994). Ends June 17, closed Tuesdays.

**Rhyme and Reason** – 600 paintings, sculptures and artifacts of the De Menil family collection ranging from paleolithic to minimal art, from Europe, America and Oceania to the Middle East and Greece take up three floors of the Grand Palais. The diversity of time, place and culture is made coherent by the reasoned care and poetic intuition – hence the title – with which this very personal collection has been assembled. Grand Palais, closed Tue, Wed late opening night. Ends July 30. (261 5410).

#### NEW YORK

**Museum of Modern Art:** After being virtually closed for three years of renovation, the museum has a chance to show the depth and breadth of its considerable collection. No longer is it a boutique of the modern classics but more like a department store, with double its previous exhibition space and room for such examples of modern design as *a whole helicopter*.

**Guggenheim Museum:** The first major American retrospective of Juan Gris' work in 25 years includes 80 paintings, drawings and collages. Known as one of the Cubist masters, Gris started painting seriously in 1910 and went through several modifications of Cubism toward broad coloured planes and still lifes in front of windows before his death at the age of 40 in 1927. Ends July 8.

**Whitney Museum:** 60 oils of landscapes, interiors and portraits by Fairfield Porter conclude their nationwide tour in New York. Part of a reassessment of this realistic painter who died in 1975 in a period of relative neglect, the show has a large selection from the painter's last period, when Impressionistic strokes captured New England landscapes and domestic scenes. Ends Aug 19.

#### WASHINGTON

**German Expressionist Sculpture** (Hirshhorn): This is the first comprehensive look at works in plaster, bronze, wood and porcelain from the first two decades of this century in Germany. Included in the show of 33 artists and 120 sculptures are Max Beckmann, Emil Nolde, Wilhelm Lehmbruck and Ernst Barlach. Ends June 17.

#### LONDON

**The Hayward Gallery:** English Romanesque Art 1066-1200 AD – a dense and weighty exhibition in every sense, perfectly self-explanatory nevertheless, quite magnificent and altogether a revelation. It treats on the sculpture, architecture, fine craft and illumination of England at a most particular and crucial period. Ends July 8.

**The Royal Academy:** 216th Summer Show – by tradition the event that brings in the London Season, and the middle classes in their masses. It is always something of a muddle, as would be any show of many hundred works chosen from several thousand sent in. This year, with 1757 from more than 12,000, the Summer Show is the largest ever. But it is still enjoyable, if you can take the terrors as they come, and make the effort to look for the very many good things by Academicians and outsiders alike. The Academy's membership has been gaining in strength over many years, and now has rather more than a fair claim to occupy the centre of the British Art Stage. Peter Blake, Eduardo Paolozzi, Allen Jones and John Hoyland are only some of the most recent elections. Ends August 19.

#### CHICAGO

**Museum of Contemporary Art:** Italian sculptor Giuseppe Penone concentrates on the interaction of man and nature by, for instance, growing potatoes in moulds of his sensory organs and then casting the agglomeration in bronze. The artist will create a 20 foot drawing on one wall of the museum that will be erased at the end of the show. Ends Aug 8.

#### WEST GERMANY

**Essen, Villa Huegel:** the former residence of the Krupp family, now an arts centre, presents treasures from Peru – among them more than 500 priceless exhibits never shown before outside the country. The 800 artefacts, from 2,000 BC, beautifully document Peru's cultural development. Ends June 30.

**Stuttgart, Staatsgalerie:** 500 graphical masterpieces from the 15th century to date are shown here on the occasion of the opening of the new house. Ends June 10.

**Cologne,** Kunsthalle, 1 Josef-Haubrich-Hof: More than 200 paintings, drawings, graphics and sculptures – chiefly from his later working periods – by Max Beckmann (1884-1950), one of the German painters persecuted by the Nazis. Ends June 24.

**Munich,** Lenbachhaus, 33 Luisenstrasse: Orpheus' Dream has 40 mythological paintings, sculptures and environments from 1970 to date by nine Italian artists. Ends July 1.

**Berlin,** Nationalgallerie, 50 Potsdamer Strasse: The last West German venue of a Max Beckmann retrospective with 300 oil paintings, drawings, water colours and graphics by the outstanding German expressionist. Ends July 29.

**Berlin,** *Zitadelle Spandau:* 200 paintings, drawings and sculptures from between 1912 and 1979 by Salvador Dali, the Spanish surrealist. Ends June 24.

**Frankfurt,** Städel, 63 Schaumainkai: Ulrich Rückriem, a contemporary German sculptor, is exhibiting eight stone sculptures from the last two years most never shown before. Ends Aug 19.

**Hamburg,** Helms-Museum, 2 Museumplatz: *Ancient Sardinia* has 90 bronze statues, ceramics, weapons, equipment and jewellery from 4,000 BC to 500 BC. Ends July 1.

**Bremen,** Kunsthalle, 207 Am Wall: Max Beckmann and his Time has paintings and drawings by the German expressionist supplemented by works of such contemporaries as Otto Dix and George Grosz. Ends July 1.

**Hanover,** Kestner Museum, Trammlplatz 3: Egyptian art from 4,000 BC to 1,000 AD is documented by 200 sculptures, objects and photographs. Ends Aug 5.

**Düsseldorf,** Städtische Kunsthalle, 4 Grabbeplatz: New Painting in Germany seeks to show German artistic trends on the basis of 139 paintings by 35 artists shown at a recent *competition*. Ends June 11.

#### ITALY

**Florence:** Palazzo Vecchio: The Horses of Leonardo: 59 studies of horses and other animals, chosen from the 92 relating to this subject from the Queen's Collection in the Royal Library at Windsor. These drawings form only part of Leonardo's output, which covers every aspect of human activity, of nature, and of science. Like many of the Italian humanists he considered the horse a subject of attention second only to man. The exhibition includes ten of Leonardo's studies for The Battle of Anghiari, with their terrific force and vitality. Many preparatory sketches for mostly-unrealised projects and ends with his allegorical drawings of dragons, elephants and cats. Ends Sept 30.

**Milan:** *Galleria del Milione:* Twenty-two entertaining works by Rene Magritte from 1922 to 1928. Ends June 10.

**Venice:** Palazzo Fortuny: Hollywood Photographers 1921-1941: More than 100 photographs, not all flattering, of well-known actors and actresses. Ends June 24.

**Rome:** Museo Pigorini: "The First Inhabitants of Europe," an exhibition from the müseé de l'Homme in Paris tracing the history of modern European Man from the earliest fossils proving the existence of "homo erectus". Until July 15.

**Venice:** Amid continual justified complaints about the impossibly short and inconvenient opening hours of most Italian museums and art galleries, the Guggenheim Collection, *from having been one of the least* accessible, has become the most – and will now be open every day (except Tue) from 12 to 6 pm (also Sat from 6 to 9 pm free of charge). The Saturday evening opening is the result of an agreement between the Solomon Guggenheim foundation of New York and Montedison.

**Rome:** Palazzo del Coni (Foro Italico): In Praise Of Sport: Paintings and drawings of gymnasts, footballers *and boxers* by *Renato Guttuso*. Ends June 30.

#### VIENNA

**The Cliche** and the reality of Viennese women in their fight for emancipation at the turn of the century. Hermesvilla, Lainzer Tiergarten. Until March 1985.

**Picasso's Graphics 1970-1972:** 156 drawings illustrate the relationship between *man and woman, showing* man as the onlooker and woman bold as lover, fighter, entertainer. There is humour, irony, tenderness and ultimately melancholy in these intimate sketches of Picasso's final years. Bulgarian Cultural Centre, Wittgenstein House, Parkgasse 18. Ends June 30.

**German expressionist graphics:** Woodcuts, drawings and lithographs include works of nine German artists from 1900 to 1930. Particularly compelling are Max Beckmann's images of unhappy leisure – anxious dancers, the seedy circus, the joyless coffee house. In two drawings, The Disappointed Ones disillusion with inter-war Germany is etched deep into the faces of bourgeois and revolutionaries alike. Otto Dix's figures are vibrant but sinister. His War Cripples, with their medals, ruined faces and wooden limbs, are almost caricature. Lyonel Feininger's linear landscapes and Erich Heckel's minimal, tension-filled portraits such as In The Cafe where an elderly couple sit mute over their beer – all have an economy of line and sombreness of subject at once austere and moving. A powerful evocation of early twentieth century Germany. Kunstlerhaus, Karsplatz. Ends June 17.

#### NETHERLANDS

**Hans Koper:** An exhibition of the ceramics of this Dutch artist and craftsman, who died in 1981, can be seen at the Museum Boymans van Beuningen, Rotterdam, until

Koper was well known in England, and the display is arranged in co-operation with the British Council and the Sainsbury Centre for the Visual Arts in Norwich.

FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 8954871
Telephone: 01-248 8000

Thursday June 7 1984

# Violence in Amritsar

MRS INDIRA GANDHI, the Indian Prime Minister, has moved decisively against Sikh extremists in the troubled state of Punjab. Faced with criticism that she was allowing the situation to drift, Mrs Gandhi sent the army in on Tuesday after four months of spreading lawlessness and desultory negotiations with the *Akali Dal*, the Sikh mainstream political party.

The heavily-armed extremists, holed up in Amritsar's Golden Temple, the Sikhs' highest seat of authority and religious inspiration, had been steadily gaining the upper hand over their political rivals as well as the local security forces. The time had come to act and Mrs Gandhi has taken a calculated risk in doing so.

### *Backlash*

In deciding to have the Golden Temple taken by force and to pursue the extremist leader Sant Jarnail Bhindrawale, a messianic figure who espouses the cause of Khalistan or Sikh separatism, she risked a backlash from India's 2.5m Sikhs. That risk remains.

If, on the other hand, she had not acted, the violence, which has already claimed over 300 deaths, would have grown. The cry of Sikh separatism would have become shriller and Mrs Gandhi would be faced with increasing disenchantment among the country's Hindu majority.

In such circumstances Hindu-Sikh violence would escalate, the chances of a political solution would diminish and Mrs Gandhi's prospects in the general election, which must be called before January 1985, would be seriously impaired.

Mrs Gandhi's dilemma was made the greater by the fact that Punjab is no ordinary state. First it is India's richest state. Second it is the country's granary. Up to 60 per cent of grain consumed in India's other 21 states comes from there. The threat to prevent vital grain supplies being exported from the state by the Akali Dal as part of its campaign of non-co-operation provided Mrs Gandhi with the perfect pretext, if one was needed, to send in the army.

Third, unlike Assam in the distant north-east where 3,000 people died in communal violence last year, Punjab is strategically placed on the border with Pakistan, India's historic rival. Mrs Gandhi has already accused Pakistan of fomenting trouble in Punjab, an accusation which President Zia ul-Haq has firmly rebutted.

For all these reasons Mrs Gandhi is reported to have overruled those advisers who urged caution. The firm police intervention in Bombay just over two weeks ago to quell Hindu-Moslem violence and the high *level of support* she received from India's Hindus must have tipped the scales in favour of action.

Her hope must now be that a quick police operation will isolate the extremists and that, in time, the Akal Dal will return to the negotiating table and agree to a package of measures which will satisfy the state's Sikh population which comprises around 60 per cent of the total.

At the root of the present trouble in Punjab lies the historic Sikh demand for a separate identity and Hindu reluctance to grant it.

What the extremists have done over the past six months is to exploit genuine grievances in the Sikh community as well the yearning for separate identity and outflank the more moderate Akali Dal.

The Akali Dal has, as a result, been forced to take up a more extreme position than it might like. Now that the extremists have, in effect, been dealt with, it may become easier for the moderate Sikh leadership to reopen talks on sensible terms.

Grim as the present situation may look, there are two reasons for hoping that Mrs Gandhi may be able to resolve the crisis with a judicious mixture of firmness and flexibility.

### *Already conceded*

In the first place, most of the religious, political and territorial demands made by the Akali Dal in the talks with the central government are surmountable. Three out of four *religious demands have been* conceded already. Others, such as the exclusive claim to Chandigarh, currently shared as a capital with the neighbouring state of Haryana, are negotiable.

In the second place the majority of Sikhs belong to a silent majority which sets great store on what unites its own community with the Hindus rather than on what divides it. It is in this sentiment, which has always come to the rescue of India's fragile unity at times of crisis, that lies the best hope of a long-term solution to crisis in Punjab.

# Intervention at British Rail

THE GOVERNMENT frequently proclaims the merits of its "hands off" approach to nationalised industries and industrial disputes. Mrs Thatcher, in particular, has stressed that the Government does not intend to intervene in the miners' dispute. The handling of the strike is meant to be the responsibility of Mr Ian MacGregor, the National Coal Board chairman.

The rhetoric sounds less convincing after the Daily Mirror's revelations yesterday of the personal interest and influence of the Prime Minister in the conduct of British Rail's recent pay negotiations. Leaked letters from Ministers explain last month's conundrum: the sudden capitulation of Mr Bob Reid, BR chairman, in his pay negotiations with the rail unions.

In the face of new, more militant, rail union bosses, the Government cannot be blamed for seeking to prevent a national rail strike compounding the problems caused by the miners' dispute. But if persuading Mr Reid last month to abandon attempts to impose more sensible working practices was the lesser of two evils, it still undermines the claim that Ministers are mere bystanders at industrial disputes.

### *Higher award*

The tactical retreat at BR will also have its costs. Mr Reid has conceded a higher pay award (about 5 per cent) than was intended and has failed to attain a compensating commitment to higher productivity.

This, he has argued, is essential if BR's financial recovery is to continue. The timetable, for example, for the extension of driver-only passenger and freight trains has slipped back.

As a result, the recent productivity advance at BR—the rise in train miles per crew member—is jeopardised. Financial recovery, last year BR turned a £175m loss into an £8m profit, looks more shaky too. Perhaps most damaging is *the fact that Mr Reid has lost* face with his unions. The Government has sought to give the present BR management clearer targets and greater operational autonomy, in contrast to the contradictory instructions of the past. The intervention in the pay dispute shows that autonomy has its limits. The climb-down at BR, as a result of sensitivity over the miners, could also have damaging effects in other public-sector pay disputes.

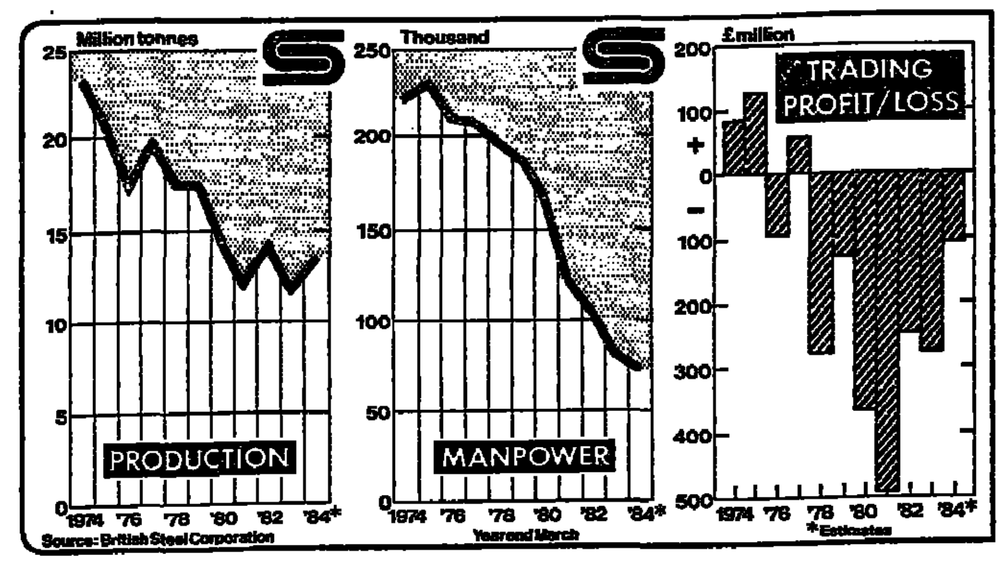
The episode, whose importance should not be exaggerated, shows that the Government has yet to find the right balance *between autonomy and control* in the public sector corporations. It has avoided the worst mistakes of previous Labour governments—midnight sessions at Downing Street involving union bosses, industry chairmen, civil servants and ministers are now just a distant memory. The Government's general policy of privatising where possible, putting industries like steel on a more commercial basis and leaving the rest to be managed fairly freely behind the safeguard of tight external financing limits is sound enough.

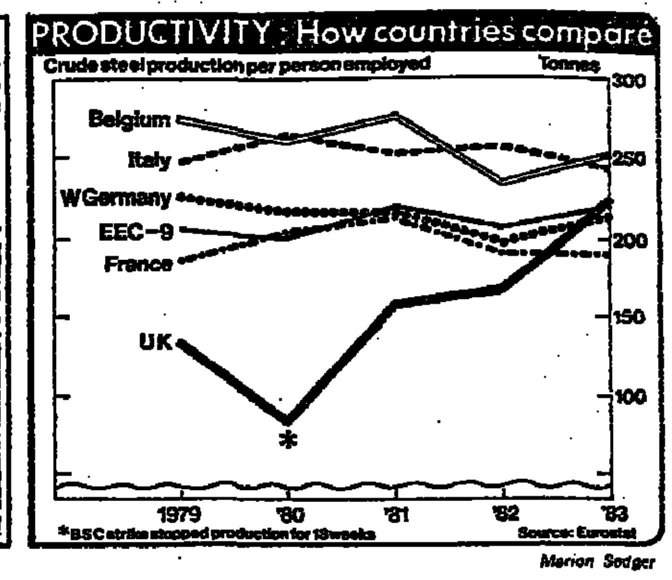
### *Energy sector*

However, a number of problems have arisen at public utilities which are neither readily transferable to the private sector nor easy to put on a fully commercial basis. In the energy sector in particular Ministers have intervened in pricing and purchasing decisions to an extent which has sevely reduced the management's ability to run the business along normal commercial lines.

Labour disputes pose a particular problem for the Government because of the structure of these industries and the monopoly power which the unions enjoy; they have the ability to impose very considerable damage on the country. In this case Ministers were clearly concerned to avoid two full-scale battles at the same time. The affair shows how difficult it is for the principle of non-intervention to be applied in *these circumstances*. As long as the monopoly power persists, the problem will not go away.

BRITISH STEEL




Marion Sodger

# Back in the European first division

By Ian Rodger

WHATEVER effect the miners' strike has on the British coal industry, it has already had a decisive effect on the future of the steel industry.

Before the strike, the British Steel Corporation, which has staged a remarkable recovery of competitiveness in the past four years, was counting on being allowed to make one more major closure to bring capacity in line with demand and enable it to return to commercial profitability.

However, the courage and loyalty of the BSC workforce during the strike has probably made a major closure politically impossible.

That leaves BSC, which lost about £170m in 1983-84, with a very difficult task. It is obliged, under a European Community agreement, to wean itself of all government subsidies by the end of next year. If it cannot cut redundant plant, its only ways forward are through further improvements in efficiency and greater sales volumes.

The outlook for steel demand worldwide remains dull and prices are likely to remain depressed by excess capacity for some time. So the main way to increase sales and revenue is through serving customers better than the competition in terms of price, quality and delivery.

BSC is making good progress on this front and claims to be among the best steelmakers in Europe. It also has the benefit of a more lively home market at the moment than most European producers.

On the other hand, it is being restrained by EEC production quotas set in the days when no one wanted to buy British steel because of BSC's poor performance.

Despite the difficulties, there are signs of optimism in BSC that it could still reach viability by the end of next year without making further major closures. If it does succeed, it would represent a big victory, not only for BSC but for British industry as a whole, as it would reflect a recovery of confidence in, and demand for British products that few thought possible only a few months ago.

When the miners' strike began, BSC was mounting another campaign to win Government approval to close the Ravenscraig works in Scotland. Its first request late in 1982 to close the works was rejected by the Government in the face of strong Scottish opposition.

Following that setback, the corporation, then led by Mr Ian MacGregor, tried to find new ways of selling its excess steel production. Mr MacGregor's most important intiative involved selling large tonnages of semi-finished steel to the United States Steel Corporation.

When that proposal collapsed early this year, Mr Robert Haslam, the new chairman, and others started hinting again at a Ravenscraig closure.

Initially, it looked as if the miners' strike would actually contribute to that campaign. Mr Haslam said in a speech at the end of March that this dispute would cause BSC to lose business just as the miners' strikes in the early 1970s had done.

"It is now quite clear that our existing corporate plan will not lead us to a break-even position," he said ominously. "We are having another radical look at the business, and a revised strategic plan will be submitted to the Government in the next few weeks."

However, things have not worked out as Mr Haslam expected. In the first place, the strike has gone on. BSC still can't assess precisely its impact on the business and so it has not yet submitted its long awaited new corporate plan.

More important, the workers at two BSC sites, Ravenscraig and Scunthorpe, were forced into the front lines of the miners' dispute and both groups showed an astonishing loyalty to the corporation, braving violent picket lines and defeating the strikers' attempts to shut down their plants. Politically, it would be next to impossible for the Government to agree to put the "heroes" of Ravenscraig or Scunthorpe on the dole.

BSC management, too, is now loath to ask its workforce to make any more sacrifices. Its view is that everyone has been a hero, managing to maintain customer deliveries despite the disruptions to production. Customers have remained loyal, too, and so BSC may end up not losing much, if any, business as a result of the strike.

That is certainly good news but it is not enough to eliminate losses running close to £3m a week before the strike began.

The main problem BSC and other steelmakers still face is overcapacity in the industry. Steel prices would not have to rise very much for BSC's losses to be eliminated. In the first nine months of 1983-84, its loss was under 5 per cent of sales.

But price increases have been very hard to impose in recent years because capacity throughout Western Europe has not been reduced in line with the fall in demand for steel. Steelmakers in many countries, aided by governments, have preferred to put off closures and the related loss of jobs.

The European Commission, which has been pushing EEC steemakers towards restructuring for over six years, has obtained the agreement of member countries that subsidies to steel companies will stop by the end of next year. The idea is to force steel companies to reduce capacity to a commercially sustainable level by then.

Meanwhile, the Commission is administering a system of production controls and, since the beginning of this year, minimum price levels, in an attempt to stabilise prices.

BSC, which has cut its capacity from some 27m tonnes to a current 14.6m tonnes, is a strong supporter of the Commission's crisis regime, which has enabled it to impose price increases on many products so far this year without losing market share. But it is doubtful that prices will move up sufficiently to carry BSC into profit

There are a number of things BSC can do on its own to improve its financial position, but the corporation is not saying anything before completing its new corporate plan and presenting it to the Government.

In terms of cost cutting, BSC has already made substantial progress, but mainly through reducing employment. Last year's wage bill fell another £30m—to just over £900m—and is now 18 per cent lower (in current money) than it was four years ago.

THE QUALITY FACTOR

STRIP STEEL PURCHASES
FORD MOTOR—HALEWOOD, UK PLANT
January-October, 1983

| Supplier | Tonnes received | Tonnes rejected | % rejected |
|---|---|---|---|
| Hoesch (W. Germany) | 10,243.60 | 122.51 | 1.19 |
| BSC-Scottish | 9,361.62 | 239.42 | 2.55 |
| BSC-Llanwern | 8,819.99 | 16.11 | 0.18 |
| Krupp (W. Germany) | 5,951.66 | 2.41 | 0.04 |
| Salzgitter (W. Germany) | 3,859.92 | 3.46 | 0.08 |
| Thyssen (W. Germany) | 2,443.40 | nil | nil |
| Italsider (Italy) | 2,405.67 | 26.60 | 1.10 |
| Klöckner (W. Germany) | 354.12 | nil | nil |
| Totals | 43,339.98 | 410.51 | |

*Source: Llanwern Trade Union Council*

Further reductions will undoubtedly occur, but at a much slower pace

Similarly, the pace of investment in cost-saving equipment, such as continuous casting machines, is slowing down. Man*agement believes it should con*centrate now on getting better performance out of the equipment it has. Mr Bob Scholey, the chief executive, revealed recently that BSC had hired consultants from Japan's Nippon Steel in 1982 to examine the corporation's works. Their verdict: "You have the equipment, you can do better with it," according to Mr Scholey.

No steel company can do well operating at 60 to 70 per cent of capacity, as BSC has been in the past few years, particularly at the basic iron and steel-making end of the business

Even though BSC will probably not close one of its five major integrated sites, it might be able to stop iron and steel making at one of them, while continuing to roll steel there. This is what Arbed, the Luxembourg steel company, is doing at its Dudelange works, as part of a scheme to cut capacity and share production with Cockerill-Sambre of Belgium.

BSC is unlikely to get into production sharing with other steel makers but it might feed one of its works with steel made at the others, as it has done from time to time in the past on a modest scale. One of the lessons emerging from the miners' strike is that BSC has been able to keep the Scunthorpe works finishing mills supplied with steel even though steelmaking there has fallen from 60,000 tonnes a week to about 20,000 tonnes because of inadequate coal supplies.

On the marketing front, BSC has been doing all the right things to improve its sales. Testimonials on the quality of the corporation's products and service are now flowing in. Mr Richard Rawlins, executive director of the National Association of Steel Stockholders, gives BSC "very high marks indeed" on delivery and quality.

The accompanying table suggests that the Llanwern works at least is among the best European producers of strip mill products. The Scottish works, of which Ravenscraig is a part, comes out relatively poorly, but it has been improving rapidly. BSC's third strip mill, at Port Talbot in South Wales, does not figure in the table. A new hot mill is being installed there

The table also shows BSC has considerable potential for increasing its strip product sales to Ford's Halewood plant and, presumably, to other automobile manufacturers in Britain and Europe. BSC admitted recently that it supplied only 40 per cent of the UK market for hot strip compared with its 70 per cent share in plate.

BSC's sales in other EEC countries are extremely low, only £212m in 1982-83, 6.5 per cent of total sales, and it is one of the corporation's major objectives to raise sales

However, even if BSC could improve its sales, it would run into problems with the European Commission. The Commission's production quotas are based on tonnages sold in the 1970s and apply equally to all producers. If the EEC market goes down an average of 10 per cent, then everyone's quota goes down 10 per cent. There is no mechanism for taking account of differing market conditions in individual countries.

There is, however, a mechanism for taking quota away from a producer if it does not fulfil its previous year's allocation. That is what has happened to BSC because of the unpopularity of its products until recently. Unfortunately, now that its performance has improved, there is no mechanism for increasing its quotas without increasing everyone else's.

BSC's output and sales have been constrained by quotas since the beginning of the year, and corporation officials doubt that the problem will be fully solved until the crisis regime comes to an end at the beginning of 1986.

What happens in 1986 is now becoming a major subject of concern among EEC steel producers. Viscount Etienne Davignon, vice-president of the European Commission and the architect of the current regime, believes that only a small number of producers will be in good shape by the end of 1985, a larger number will be in fair shape and a few will be in a hazardous position.

It remains to be seen if the Commission will stick to its determination to outlaw all subsidies by the end of next year. The French Government has made clear its view that the restructuring of the French steel industry cannot be completed in time and is arguing for an extension of the current regime. Given the new political pressures preventing BSC from making further capacity cuts, it too might not be in shape to survive on its own by the beginning of 1986.

But whatever happens, the corporation is looking more like a survivor than it has for many years.

# Men and Matters

## Billingham rock

Britain's leading industrialists have many admirable — and sometimes unsuspected — qualities. But I must confess I had never thought any of them could inspire a new composition from a rock musician.

Yet the tribute on the cassette which landed on my desk yesterday was clear enough: "Recorded and mixed at Abbey Road Studios, London —with Very Special Thanks to —John Harvey-Jones.

A bemused ICI Press officer confirmed that the man behind Ammonia Avenue, by the Alan Parsons Project, was indeed the chemical group's irrepressible chairman.

Harvey-Jones, it seems, spent a recent Concorde flight bending the ear of a young musician, Eric Woolfson, about the general lack of understanding among the public of what industry is all about.

He challenged the musician to get a feel for real life by visiting ICI's ammonia plant at Billingham.

"I found it truly inspirational," says Woolfson. "The place has a quasi-religious feel to it—it was like going into a cathedral."

The cassette, with a cover photograph of Billingham's steam pipes, is the result of his awe-struck sightseeing.

And the title track, Ammonia Avenue, might just turn a few hardened chemical executives into pop fans (or vice versa). It goes: "And who are we to criticise or scorn the things that they do; For we shall seek and we shall find Ammonia Avenue."

## Shipshape

A new man will be steering the General Council of British Shipping from next January. Patrick Shovelton, a music-loving golfer steps down from the job of director-general because he reckons that six years in a job is eough.

His successor is Peter Le Cheminant, aged 58, whose civil service career has included a spell as private secretary to Harold Wilson. He is still remembered in the lobbies for his skill in briefing the PM for question time.

Le Chaminant is subject, like all civil servants to the 60-year retiring age. "But I'm still very fit and full of vigour—it's a good opportunity to start a second career." He is a Second Permanent Secretary in the Cabinet Office and keeps healthy by long walks on the South Downs and underwater sports.

He will need all his stamina for his new job. The British merchant fleet has sunk to its lowest level for 25 years and the 1983 Budget removed the remaining investment incentives in the industry.

Shovelton, 64, also in the civil service before his GCBS days —ended that career as Deputy Secretary for Civil Aviation and Shipping. He is naturally saddened by the UK fleet's decline.

The GCBS has also suffered severe cuts. Staff economies have cut numbers from nearly 450 when Shovelton joined in 1978 to 190.

"It's a sad thing," he says, "when nowadays it's a symbol of virility that you have to cut staff."


"Of course it's expensive— with an Economic Summit in town you don't expect us to reduce prices do you?"

## General sale

Cuba, through its official newspaper Granma, is sounding off about Western press speculation that it is selling the Che Guevara diaries at Sotheby's in London on July 16. "These right wing newspapers are as miserable as murderers, thieves and profiteers," it thunders.

And Granma could well be right. The price to be paid for the diaries is likely to be well above the £250,000 Sotheby's estimates but Cuba is not yet so desperate for hard currency to sell out its revolutionary hero. Much more likely sellers of the diaries are to be found *among the Bolivian generals*, whose army captured and executed Guevara in 1967.

One name mentioned, a General Gomez, is reckoned an unlikely candidate because he is rich enough already. Another, General Ovando, used to sleep with the diaries on his bed-side table, which suggests too much attachment to them. On the other hand a General Arguedas seems hard headed enough: he sent photo copies of the diaries, to Castro to prove Che's death.

All Sotheby's says is that it is acting through an intermediary of the owner. The diaries certainly fell into Bolivian hands, but then disappeared from an army safe. There is no doubt about their authenticity, and extracts from them have already been published, but even so the two neatly kept diaries, which chronicle the experiences of the rebel band up to the day before Che was captured, are attracting numerous enquiries from potential bidders, not least from Americans.

## Lost property

Estate agents are getting worried about the competition. As Michael Hanson, writing the leading article in Chartered Surveyor Weekly, says: "With Woolworth opening its first property shop in a Birmingham store, Debenhams about to launch a more ambitious property service in four department stores, and 30 newsagents on the south coast installing property boards in their shops, how should professional agents strike back?

"Should they sell sweets, cigarettes or ice-cream, for example?"

Hanson thinks not, but believes estate agents should become complete home advisers, adding: "On second thoughts, perhaps all they need to do is to sell houses better than anybody else."

## Word perfect

A moment to savour from South Africa's Prime Minister, P. W. Botha, who visited Switzerland twice during his swing through Europe.

*At a Press conference in* Berne, all had been going well until some 45 minutes into the event, somebody asked an unwelcome question about the "unfair" policy of forcing blacks into the "homelands."

Botha said that these people had to be "coerced." Foreign Minister Pik Botha, to his right, suggested in a stage whisper that a more apt word might be "persuaded." The Prime Minister finally settled for "convinced."

## Silver ring

Waiter at the Garrick Club yesterday: "It will have to be soup spoons for pudding, sir; all the dessert spoons are at the Derby."

***Observer***

## Interview with Noburo Takeshita

# Flying the free trade flag

By Jurek Martin in Tokyo

Mr Takeshita (right) says Japan will ask for further U.S. efforts to cut its deficit

JAPAN is approaching the London summit in a notably positive frame of mind, perhaps more so than most, if not all, the other participants. Far from feeling defensive, as it often did before Williamsburg, it has one specific initiative to lay on the Lancaster House table (a new multinational trade round); it could, just conceivably, pull a diplomatic rabbit out of the hat on the Gulf war; and generally the country senses it can make a major contribution to an economic debate that will focus on the impact of high U.S. interest rates.

For Noburo Takeshita, the Minister of Finance, is no stranger to these summits, and it is possible that one day he will head the Japanese delegation to one. He is one of three or four politicians regularly mentioned as a future prime minister if his political mentor, Mr Kakuei Tanaka, allows him to run, which he has not so far.

His political influence is strengthened by the fact that he heads Japan's most powerful single ministry. He is diminutive, with a rather wry, almost quizzical, cast to his face and, at least when talking in an official capacity, he speaks much more slowly and carefully than most of his countrymen.

He concedes that summits have become more political but argues that their economic

### Third World debt seen as the most urgent problem

rationale is as important as ever. As far as London is concerned, "we must align ourselves again with the Williamsburg declaration and follow that line."

Japan, he contends strongly, has not shirked its responsibilities in pointing out to the U.S. some of the consequences of running budgetary deficits of the current magnitude. He points to the arguments in last week's joint report of the yen-dollar committee on proposed Japanese financial reforms in which "we expressed our wishes that the deficit be cut." Mr Takeshita is certainly not dissembling on this point; rarely has Japan so publicly and plainly taken exception to U.S. policies and attitudes as it did in that report.

"We must emphasise the importance and necessity of this at the summit, and we would welcome signs of a U.S. willingness (to respond) and we will ask the U.S. for further efforts."

But, he goes on, making slow circles in the air with his index finger, "I do not intend to mediate (between the U.S. and Europe) in the way you suggest. If it is indeed the case that high interest rates stem from budget deficits, then it is important to establish a common awareness of the problem."

In any case "we should not blame one country; to do so might constitute an interference in that country's internal affairs." Though Mr Takeshita does not say so, his attitude reflects a political fact of life in the bilateral relationship with the U.S.; having just settled a number of contentious issues for the time being, and with both Mr Nakasone and President Reagan up for re-election later this year (in the Japanese case, it is a vote of the ruling party), both leaders have vested interests in pointing to the strengths of the ties that bind.

However, Mr Takeshita does not minimise the gravity of the interest rate problem, which extends even to Japan, whose economy otherwise is recovering very nicely. The high exchange rate of the dollar, he notes," "imposes restraints on flexible financial policy on our part and affects adversely both the terms of trade and our own domestic demand."

He agrees that the most acute problem concerns Third World debt. "It is my understanding," he says, "that Japan will not take a particular initiative at the summit, but we will be vigorously involved in the debate."

The basic Japanese analysis is that "we can't hope to see a radical one-shot solution; we have no choice but to handle it on a case-by-case basis." But four key points, he said, should be borne in mind:

- "The importance of self-help by the debtor nations themselves, with the precondition that there be social and political stability in those countries."
- "The effort should be made to sustain durable economic recovery, resist protectionism and maintain open markets."
- "We must bring about the lowering of interest rates and there have to be some debt-relief measures" (though he expressed no preference for any of the schemes currently being canvassed).
- "There must be a good system of support by the International Monetary Fund and the World Bank." (Japan has just assumed the number two position in the Bank by substantially increasing its capital contributions both to the bank and its soft-loan arm, the International Development Association.)

Indeed, Mr Takeshita chose to place the Japanese initiative for a new trade round very much in the the context of a wider economic recovery. A stronger trading system, he says, can revitalise the world economy. This is, in effect, Japan's answer to some European cirticism that general recovery should precede further trade liberalisation.

Privately, some senior Japanese officials are dismissive of this European viewpoint (most strongly held by France and Italy of the summit countries). But Mr Takeshita, conscious that the heads of government have it in their power to derail or delay the Japanese proposal, is far too diplomatic to ruffle any feathers on the eve of the summit.

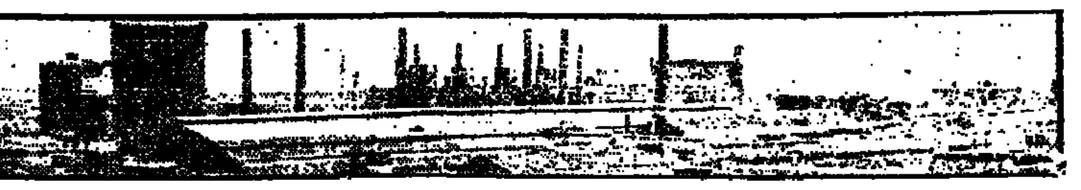
He talks of the need for thorough joint discussions, of carefully defining the parameters, of noting that liberalisation is already under way under the framework of the General Agreement on Tariffs and Trade (Gatt), implying throughout that Japan and the U.S. have no intention of riding roughshod over anybody. But the desire to put a Japanese stamp on a first-rank international economic subject is very much there. "We really

### 'Stronger system can revitalise the world economy'

shoud try and establish the situation from which an early start to the new round can be accomplished."

Thus the Japanese entourage, under Mr Nakasone, is coming to London with a sense of anticipation. It intends to stand solidly with the U.S., specially on strategic issues, but is capable of taking the U.S. to task on the economic front—up to a point. That point, however, is a lot further down the line than used to be the case. And Japan really does have what it considers a cause celebre of its own, free trade, which it hopes will emerge as one of the central points of agreement at Lancaster House.

*This is the last in a series of interviews with Finance Ministers in advance of the London summit.*



**Question: Which of these statements about your country's industry is closest to your own opinion?**

| | France % | Germany % | UK % | Italy % | Norway % | Spain % | US % | Japan % |
|---|---|---|---|---|---|---|---|---|
| It is essential that we modernise the out-dated sectors of our national industry as quickly as possible even if this will make unemployment worse | 38 | 18 | 43 | 21 | 23 | 40 | 35 | 14 |
| It is more important to preserve jobs, even if this means slowing down the modernisation of our industry | 46 | 67 | 46 | 60 | 62 | 54 | 60 | 63 |
| No answer/no opinion | 16 | 15 | 11 | 19 | 15 | 6 | 5 | 23 |

## European public opinion

# Unemployment: the great fear

By Malcolm Rutherford

ON THE eve of the economic summit in London, public opinion in the major industrial democracies is still most concerned *about unemployment*. Fears about the threat of war and nuclear weapons have, in general, receded, and there seems to be a growing preference for economic protectionism.

There are, however, some notable exceptions. Concern about nuclear weapons has been growing steadily in Britain, while in West Germany public opinion seems to have gone to sleep on most issues.

There is very little trace of *Angst* in the German responses to the latest six-monthly poll conducted by Louis Harris for the Atlantic Institute in Paris and various news media, including the *Financial Times*.

The previous poll was taken when deployment of U.S. cruise missiles and Pershing 2s in Europe was about to begin. Since then the Soviet Union has withdrawn from the negotiations on intermediate nuclear forces in Geneva, but Western anxieties on the subject, and indeed about East-West relations in general, have diminished.

In the U.S. only 32 per cent of those polled listed the threat of war among their greatest concerns as against 45 per cent six months ago. Concern about nuclear weapons fell from 37 per cent to 28 per cent in the same period.

In West Germany the percentage of respondents putting the threat of war as a major concern has fallen from 28 to 14. On nuclear weapons the percentage has gone down from 38 to 15.

The exception is Britain, where anxiety about both the threat of war and nuclear weapons has risen sharply. Six months ago only 31 per cent of British respondents named the threat of war among their greatest anxieties. The figure has now risen to 40 per cent.

On nuclear weapons the percentage has risen from 29 to 43.

It would be tempting to dismiss these British figures as an aberration, especially when the general western trend is so different. However, a Marplan poll of British public opinion, reported in the *Guardian* on May 26, came to very similar conclusions.

It found that the number of those polled who disapproved of the Government's decision to allow the Americans to base cruise missiles on British soil had gone up to 55 per cent from 50 per cent in the previous month. The number who approved had fallen from 36 per cent to 31 per cent in the same period.

On economic matters, unemployment continues to be the main concern of all countries covered by the poll, except Japan, where it is listed by only 16 per cent against 22 per cent six months ago. The biggest Japanese worries are about the threat of war (35 per cent), crime (34 per cent), and nuclear weapons (32 per cent).

The U.S. economic recovery is reflected in a fall in American concern about unemployment from 46 per cent to 36 per cent. By contrast, 78 per cent of French respondents still put it as the main issue and 60 per cent of the British, in both cases much the same as in the previous poll. In Spain unemployment is now named by 85 per cent of those polled, against 77 per cent six months ago.

Inflation, on the whole, is less of a concern than it used to be. It is listed by only 18 per cent in Britain and 39 per cent in France. Both findings show a steady decline from when the polling series began in September 1982. The British figure then was 28 per cent and the French 50 per cent.

The U.S. findings on inflation, however, are uneven. It is still given as a major concern by 30 per cent of respondents—down from 38 per cent six months ago, but against 34 per cent nearly two years ago.

The biggest differences between the countries come out in answers to a question which was put for the first time and which is outlined in the accompanying table. Essentially, respondents were asked whether they would favour the modernisation of their national industry even if that would make unemployment worse, or whether they would prefer to protect jobs even if the price was that modernisation would be slowed down.

Quite the most striking finding here is the large number of respondents in France (38 per cent), Britain (43 per cent) and Spain (40 per cent) who want modernisation despite the cost in jobs.

There is another side to the coin. The countries which are arguably the most technologically advanced—West Germany, the U.S. and Japan—have heavy majorities in favour of job preservation. Italy is an exception.

In Germany the ratio between keeping jobs and modernising is 67:18. In Japan it is 63:14. The U.S. splits 60:35, which is *still a strong preference for* preserving employment.

The most likely explanation is that substantial numbers of British and French want to catch up with their technological superiors, while the latter feel that they can relax and look to other priorities: the post-industrial society, perhaps.

Yet there remains pretty firm underlying support across the board for a measure of protectionism. The question was put: Do you tend to agree or disagree with the following statement: "If people do not adopt the principle of 'Buying national' the national economy will be in danger in a few years' time." All countries involved had a majority in agreement.

In Britain and the U.S. that preference was stated by 67 per cent of respondents; in Italy by 70 per cent and in France by 65 per cent.

Only West Germany and Japan were anything like evenly split, but in each case there was a heavy percentage of "don't knows."

*Germany, in fact, proved the* odd man out in the answer to virtually every question. Some kind of torpor seems to have come over it.

Concern about unemployment was listed by only 52 per cent of those polled, against 73 per cent six months ago, although there has been no dramatic improvement in the labour market. A large majority of Germans seem to have stopped worrying over much about war and nuclear weapons. Concern about social injustice has declined from 24 per cent to 12 per cent and about crime from 34 per cent to 10 per cent.

Perhaps Chancellor Kohl has a secret, after all.

*Polling was co-ordinated by Louis Harris, France. The British fieldwork took place between April 13-17 and covered a nationwide representative sample of 898.*

# Letters to the Editor

## U.K. property rights

*From Mr C. Hardcastle*

Sir,—Your article "Legal tug of war" (June 1) about the issues raised once more by the compensation terms of the "The Aircraft and Shipbuilding Industries Act 1977" relates to basic property rights, without which private enterprise, among other fundamental aspects of our society, cannot function. Further, as Malcolm Rutherford specifically asks of privatisation "if assets put up for sale could be cheaply renationalised, are they really worth buying and at what price?"

Despite the recent impression to the contrary given by the Attorney General, the report of the European Commission of Human Rights on the cases of Lithgow and Others v United Kingdom was published in Strasbourg a fortnight ago. It is available free on application from the Council of the European Commission of Human Rights.

Readers of this remarkable document, particularly from within the investment community, will find a sad and alarming spectacle. It was the Conservative Government which imposed the terms of Mr Benn's nationalisation Act on those companies which the Conservatives in opposition and in government had consistently recognised were the most unfairly treated. They defend their actions by arguing forcibly for the unfettered right of a UK Government to expropriate the assets of its own nationals, however unfairly, provided enabling legislation had, at one time, been supported by a previous majority in the House of Commons.

The Attorney General has stated that the "Government is confident" of its position before the European Court of Human Rights. One wonders whether such confidence could be misplaced. Of the nine cases against the UK in the European Court of Human Rights, reported up to 1982, the British Government has lost eight; the ninth concerned pornography. In the leading case on property rights (Sporrong and Another v Sweden 1982), as in Lithgow and Others, only three of the Commission supported the applicants; yet the court found in favour of the applicants, and the Swedish Government was obliged to change its law.

The fundamental purpose of the hearing before the Commission was to determine the admissibility of the petitions: this involved complex legal argument. The Commission declared the petitions admissible, although it did not by majority opinion support their merits. The Commission's views are not binding on the court. Also referred to the court are virtually all the legal arguments rasied by the petitioners.

Paragraph 381 of the Commission's published report sums up the Commission's findings. "While the rules of international law do not apply to nationals, there is inherent in Article 1 [of the European Convention of Human Rights] a right to compensation for the taking of the property of anyone within the jurisdiction of a contracting state, where and in so far as the payment of compensation is necessary to preserve the appropriate relationship of proportionality between the interference with the individual's rights and the 'public interest.' National law must law down conditions for the taking of property which are in line with these requirements and reasonably precise. In the case of a national a violation of Article 1 could however only be held to arise from absence or inadequacy of compensation if it were clearly established that there was a real and substantial disproportion between the burden imposed on him by the expropriation measure and what could reasonably be considered justifiable in the light of the public interest objectives being pursued by the national authorities."

That is what the pleadings before the Court will be about; and (*pace* Sir Walter Salomon in his letter of June 5) the Court will accordingly be concerned with equity and not just legal precedent.

In the absence of friendly settlement proposed by the Commission, the cases will go on. Win or lose, it seems pretty obvious that Ministers are lined up to score an impressive own goal. Is there no way such fundamental problems of equitable property rights can be resolved domestically, or must we always now have to turn for remedy to outside the country as to a latter day Court of Chancery?

Clive Hardcastle.
Hardcastle and Co.,
*1, Founders Court,*
*Lothbury, EC2.*

## Exercising the option

*From Mr J. Carrell*

Sir,—David Cohen in "Pitfalls of a stake with the boss" (June 2) warns of the difficulties facing employees who exercise options to acquire shares in their company under an approved scheme. I think I can dispel his fears with regard to one of these difficulties.

Mr Cohen pointed out that a future Government might withdraw the tax advantages from the approved share option scheme which was introduced in the current Finance Bill, recalling that the last time a Conservative Government had brought in an employee share option scheme, the next Labour Government had promptly scrapped it. He went on to say that "if that happens again employees who have exercised their options but not yet sold their shares might find themselves paying income tax on their profits."

In the Finance Act 1974, Labour did indeed withdraw the tax advantages for share option schemes introduced by the Conservatives in 1972, but they expressly allowed the old favourable capital gains tax treatment to continue to apply to sales of shares where the options had been exercised before March 27, 1974; Section 2(1)(a) Finance Act 1974. To have done otherwise would have been to give retrospective effect to a new tax charge.

We may reasonably expect any future change in the law to follow the 1974 example so that once the employee has exercised his option, he should be free from worry about having to pay income tax when he sells his shares.

John Carrell.
*Saddlers' Hall,*
*Gutter Lane,*
*Cheapside, EC2.*

## Benefits and insolvency

*From the General Secretary, National Union of Tailors and Garment Workers*

Sir,—Mr Mather of the Institute of Directors (May 25) accuses me of overstating my case about the position of my union's members' entitlement to state benefits following a company insolvency. I am afraid his obvious complacency over the handling of claims for National Insurance benefits appears to be based entirely on supposition, and ignores the experiences of my union's members—often mothers with young children—who are so frequently cheated out of their entitlement.

The value of Section 152(4) as Dr Rhodes Boyson, Minister of State for Social Security, recognises, is as a deterrent to encourage directors to pay contributions, already deducted from wages, at the right time.

The Institute appears indifferent to the consequences for employees of their employers' failure to make such payments, but it should be concerned that the scope which withholding contributions gives for unfair competition is not increased. Indeed, this is not an issue on which the interests of employees and responsible directors conflict.

Alec Smith.
*16, Charles Square, N1.*

## Agricultural rating

*From Mr D. Richards*

Sir,—Captain C. Farquharson claims (May 23) that "land is the farmer's raw material in the same way as, say, iron and steel" is the manufacturer's raw material, and that it should, therefore, not be rated.

Does this mean that the farmer uses up his land during the course of production? Of course not. The land endures as the site of a farm just as it endures as the site of a manufacturing works.

Three years ago, I attended a Young Farmers' Club conference at Kenilworth in which Ernest Richards, a Welsh farmer who sat on the Northfield committee, was speaking. He admitted that land cannot validly be claimed to be the farmer's raw material, but suggested that the real case against agricultural rerating is the difficulty of valuing farm buildings, which are only intermittently used and are constantly changing.

Site value rating is clearly the answer here. It would even remove the present rate on the farmer's home.

Captain Farquharson is quite right, however, to point out that agriculture is not very profitable. The main beneficiary of "farm support" is the landowner.

David Richards,
*78 Parkfields Road,*
*Bridgend,*
*Mid-Glamorgan.*

## Popeye's message slammed

*From Mr R. Glass*

Sir,—David Fishlock's revelation in Weekend Brief (May 26) that spinach is not particularly rich in iron comes in the same week as the revelation on the BBC 2 programme Facing up to Forty, that many oranges contain very little Vitamin C.

Is it not time that accurate up-to-date measurements were carried out of the vitamin and mineral content of a wide sample of common foods and the results made widely known?

The information currently available seems to be more than 90 years out of date, and makes nonsense of many of the so-called "balanced diets" recommended by nutritionists.

R. C. Glass.
Centre for Continuing Education,
City University,
*Northampton Square, EC1.*

FINANCIAL TIMES

Thursday June 7 1984



# Problems of debtor countries 'have worsened'

**By Max Wilkinson in London**

THE PROBLEMS of the world's debtor countries have worsened dramatically in recent months, Professor Rudiger Dornbusch, Professor of Economics at the Massachusets Institute of Technology, said in London yesterday.

He was addressing a seminar at the Royal Institute of International Affairs on the issues to be raised by the London economic summit.

Prof Dornbusch said that after the crisis over Mexico's debt problems in 1982, a consensus had grown up that the debt problems of the developing countries would gradually disappear.

It was then thought that four factors would together reduce the burden of debt servicing in relation to the debtor countries' exports:

- Steady economic expansion in the developed countries.
- A rise in world commodity prices resulting from this recovery.
- A general fall in interest rates.
- A depreciation of the dollar.

In the event, world recovery had followed the path predicted, and Commodity prices had become firmer, although not as much as in previous recoveries.

U.S. prime lending rates, instead of falling from 10 per cent to about 7 per cent, had risen to more than 12 per cent.

As a result, the adjustment programmes of countries like Brazil and Mexico had concentrated on cutting domestic demand and living standards, rather than on increasing exports.

It was becoming increasingly difficult politically for the debtor countries to make the adjustments needed to pay their rising interest charges.

Since 1982, the increase in the debt of the major borrowing countries had been entirely due to the rise in U.S. interest rates. Was it right, he asked, that resources should continue to be transferred from the poor of Latin America just because in the U.S. had "crazy macro-economic policies"?

Professor Dornbusch argued that a 10 per cent ceiling should be set on interest rates with a three-year period of grace, after which the excess over 10 per cent would be "forgiven." Although this would depress bank shares he thought it was a lesser evil than the alternative might prove.

Earlier Prof Willem Buiter of the London School of Economics set out a balanced plan for the reflation of the European and Japanese economies, this would be matched in the U.S. by fiscal tightening, designed to reduce its budget deficit.

He said this was the kind of worldwide collaboration which the summit powers ought to be discussing, with the object of securing higher growth rates for the world economy.

# Early Cuban withdrawal from Angola less likely

**BY QUENTIN PEEL, AFRICA EDITOR, IN LONDON**

WESTERN officials believe that any prospect of an early withdrawal of the estimated 25,000 Cuban troops in Angola has virtually evaporated, after a serious deterioration in the security situation inside the country.

The reassessment follows a significant expansion of the area of operations of dissident Unita guerrillas, and the failure by Angolan forces, backed by Cuban troops, to dislodge them in a major offensive in eastern Moxico province in recent weeks.

As a result, diplomats involved in the long-running effort to negotiate a settlement in neighbouring Namibia (South-West Africa) fear that South Africa will not agree to any rapid moves towards its own withdrawal and independence for the territory.

Their pessimism emerged during the current eight-nation European tour by Mr P. W. Botha, the South African Prime Minister, during which he has repeated his determination to link Cuban withdrawal to Namibian independence.

The Western officials also dismissed as irrelevant reports circulated by the South Africans that they would hand over Namibia to one or more of the Western powers, provided the Cubans first withdrew from Angola.

"There is no question that anybody is going to take on the administration of Namibia," according to one Western diplomat. "It is not a proposal to be regarded with any seriousness. The real problem remains whether South Africa is going to grant independence, and on what terms."

Western officials believe that the only area where more progress may be made is in extending the current disengagement exercise between the South African and Angolan forces in southern Angola.

Both sides have now agreed to the continued existence of the Joint Monitoring Commission (JMC) on the Namibian border at Oshikango, after the last South African soldiers have left Angola.

The agreement provides for the increasingly active involvement of U.S. observers, to act as intermediaries in any dispute between the two sides.

Western officials believe the Angolan disengagement could eventually be extended to become a formal ceasefire in Namibia, between South Africa and the guerrillas belonging to the South West Africa People's Organisation (Swapo) – although Swapo has hitherto refused to agree, unless South Africa allows the independence process to go ahead.

# Pan Am seeks European support for plan

**By Leslie Colitt in Berlin**

A SENIOR executive of Pan Am, the U.S. airline, is scouring Europe in an attempt to trace shareholders to support its controversial plan to create a holding company, Pan Am Corporation.

The search follows an acrimonious annual meeting last month when the company's proposal failed to gain the two-thirds majority required. The meeting was adjourned until June 27.

Because of the airline's highly visible route between West Germany and West Berlin, the airline has become a natural choice for German investors, who Pan Am believes make up the majority of its European shareholders.

It is often difficult, however, for U.S. companies to discover the identity of their European shareholders, whose shares may be held by U.S. nominees. It has been suggested in jest that one solution might be for Pan Am to resume paying a dividend, suspended since 1969.

Mr Gerald L. Gitner, Pan Am's vice-chairman responsible for finance, is in Europe to get the message across to European shareholders and their banks that every vote will count when the shareholders' meeting reconvenes. Non-voters, he said, count as a ballot against the company proposal. He was unable to give an estimate of the number of European shareholders.

Mr Gitner would not be drawn into making any predictions about when the dividend would be resumed, except to say that the airline's financial recovery was expected to continue this year. Last year's net loss of $51m compared with a deficit of $485m in 1982.

In the first quarter of this year Pan Am further cut its losses to $70.3m, against $79.6m in the same period last year. The airline's load factor was up over last year and there were record bookings for the summer season on the North Atlantic routes, Mr Gitner said. The strong dollar continued, however, to depress results, as nearly a third of revenue was from outside the U.S.

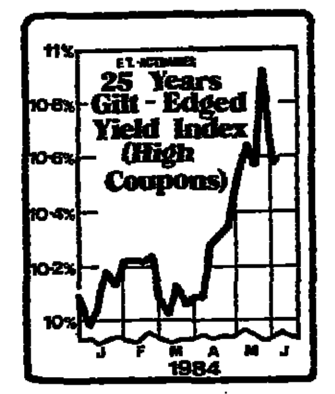
The holding company plan would give shareholders an equal number of shares in Pan Am Corporation.

Argentina optimistic; Mexican interest reduced, Page 8

# THE LEX COLUMN

## The blunt end of recovery

Britain's government securities market has not so far responded to the latest set of money supply figures with quite the delight which was evident in official circles on Tuesday. The initial market reaction admittedly did give the Government Broker an opportunity to clear his holding of Exchequer 9¾ per cent 1998 and sell perhaps half his other long tap, but the chunkier tranches at the short end were left untouched and a weak opening on Wall Street was enough to take any lingering breeze out of the market's sails.




### Metal bashers

Dividend deferrals are still far from being a thing of the past for the metals and metal forming sector, it seems. Yesterday's news on this front from Acrow and from Johnson and Firth Brown was not exactly received in stunned silence by the City; but it strengthened the impression of a growing divergence between those companies still perceived as traditional metal bashers and those like Glynwed or Delta Group now identified with higher value added products in the wake of all the dramatic restructuring in the sector since 1979.

The problem for the basic fabricators is that the undoubted recovery in demand remains too fragile as yet to bear the kind of price increases urgently needed to restore healthy margins. JFB's welcome return to the black – with pre-tax profits of £900,000 against a loss of £900,000 for the half year to March, leaving Sheffield Forgemasters out of account – has followed on a 28 per cent rise in turnover, half attributable to unit volume gains and half to higher prices. But these latter have only passed on the jump in raw material costs. Huge improvements in productivity have resulted in a broadly neutral cash flow. Until JFB can raise its own prices with confidence, though, the group looks likely to fight shy of bold stock rebuilding or capital expenditure plans – let alone the repayment of the £750,000 or so now outstanding on its preferred stock dividends.

Lack of dividend support is still commonplace, too, among many of JFB's competitors. Allied to a shortage of any real growth potential, at least in the near term, this has arguably been sapping the confidence which gave the metals sector relative to the rest of the market an impressive showing in the first few months of the year. Another discouraging factor, of course, may be concern over the valuation of some assets which are looking a little short of keen buyers – and yesterday's announcement by Acrow that it has had to abandon talks for the sale of a fabrication subsidiary will not help matters.

### Corporate bonds

Marley has been at pains to reassure shareholders that it was not about to hit them with a rights issue. Yesterday, it made good the promise by tackling the problem of long-term capital another way – replacing £25m of its variable rate debt with a debenture, dated 2009 on a 12.1 per cent redemption yield.

Despite the hopes raised by BOC's pioneering issue nearly two years ago, corporate bond offerings since then have been largely restricted to special cases: property companies, whose asset backing is, so to speak, as safe as houses; breweries, who besides their pubs and hotels have the asset – psychologically important in the bond market – of highly visible consumer products; and banks.

Among the ranks of manufacturers, though, very few have fulfilled the pious hopes of the Treasury and the Bank of England in resorting to fixed-rate debt. Among such examples, Marley's yield premium of 1.2 per cent over the comparable gilt is quite finely pitched, and will test the effectiveness of the recent Budget provision, which extended year-and-a-day capital gains tax exemption from gilts to the corporate bond market.

The new measure should make corporate bonds more attractive to the life offices – still the backbone of the market – but not to the pension funds. Perhaps the most important effect is to lessen the discrepancy with gilts from the point of view of the private investor, and thus add some depth to a market hampered by lack of liquidity.

But if Marley's example is to spawn many imitators, a more flexible attitude may be needed from both borrower and lender. At the moment, the market is expressing a strong preference for just the kind of issue which many finance directors find least attractive: a large, and therefore marketable, bond offering cast-iron security against assets.

### Crown Agents

Yesterday's report and accounts from Britain's Crown Agents make the privatisation of this aged political albatross look a more distant prospect than ever.

Last year's loss of the Brunei investment management contract blew a hole several million pounds wide through the agency's profit and loss account. Now the balance sheet has been punctured by reorganisation costs which leave reserves in deficit to the tune of £13m.

The agency hopes to be running at a profit by the end of next year but still expects to report a loss for 1985 as a whole, even after a significant Government interest waiver. So privatisation does not look feasible before 1987 at the earliest and even then it is hard to imagine investors queuing up to subscribe.

Following the Brunei loss, funds under management have withered to less than £1bn and the resulting overhead reductions must have impaired the agency's ability to provide a fully competitive service for its remaining clients.

For better or for worse, the Crown Agents' principal strength is still its quasi-official status and the loss of a Government umbrella would leave it uncomfortably exposed.

Moreover, many of the agency's other operations can legitimately be seen as public services. Any attempt to strike a balance between commercial criteria and a broader national interest would presumably lead to precisely the sort of difficulties which dogged the Reuters flotation.

If the agency's reorganisation effort fails, the Treasury will find no buyers' if it is successful, however, the Government may be persuaded to forget the chequered history and leave the agency where it is.

# Plessey to spend £50m on new UK microchip factory

**BY JASON CRISP IN LONDON**

PLESSEY, the British electronics group, is to spend £50m ($70m) on a new microchip plant at Plymouth which will employ more than 600 people by 1990.

Plessey specialises in semi-custom and full-custom semiconductors which are designed for specific applications, rather than the commodity microchips which are made by companies such as Texas Instruments, Intel, NEC and Inmos.

The market for so-called "application-specific" microchips was $2.8bn in 1983 worldwide, according to U.S. consultants Dataquest. The recent shortages of microchips have been largely for the standard commodity products. However, application specific chips are now taking an increasing share of the overall semiconductor market.

Sir John Clark, chairman of Plessey, said yesterday the company was determined "to maintain and increase its share of the world microchip market which is so important for the future of the electronics industry."

Plessey semiconductor sales are currently over £50m a year. The company is to invest a total of £80m – including the new Plymouth-plant – on capital equipment for microchips over the next five years and expects to spend £30m on research and development over the same period.

The new Plymouth plant will produce chips for use in telecommunications, direct broadcast by satellite and cellular radio, said Plessey.

The company believes it will increase sales by 450 per cent over that five-year period. The company already makes microchips at a plant in Swindon and at Plympton, also near Plymouth. The company is seeking government support for the new plant in the form of regional development grants and under the Microelectronics Industry Support Programme.

The other British companies making microchips are GEC, Ferranti and Inmos, which is the Government-owned company making commodity products. Several non-British-owned companies have or are building semiconductor plants in the UK including National Semiconductor, NEC and Motorola.

# Ford Europe chief resigns

**BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT, IN LONDON**

A PERSONALITY clash has led Mr James Capolongo to submit his resignation as president of Ford of Europe.

Mr Capolongo, who at 49 is one of the parent Ford company's youngest vice-presidents, was involved in what one Ford source yesterday described as "a transatlantic slanging match" with his immediate superior, Mr Bob Lutz, head of all Ford operations outside North America.

According to reports from Ford's headquarters in Dearborn, Michigan, however, senior executives of the parent company, including Mr Donald Petersen, the president, have been attempting to get Mr Capolongo to change his mind.

The row has blown up only two months after Mr Ed Blanch quit unexpectedly as chairman of Ford of Europe.

At that stage Mr Capolongo took over Mr Blanch's responsibilities but not his title, although usual Ford practice has been for the European president to be promoted to the chairmanship. Ford indicated that a new chairman would be appointed later.

Since Mr Blanch gave up the chairmanship in April, Mr Lutz, who was promoted in 1979 after being Ford of Europe chairman for two years and president for two years before that, has been spending more time at the European headquarters in Britain.

Ford of Europe declined to comment on the situation yesterday. "We do not comment on potential management changes. When management changes are made we make an immediate announcement as a matter of policy," an official maintained.

There have been signs for some time that the European management was under pressure. Mr Walter Hayes, formerly vice-president for public affairs with the parent group in the U.S. returned to strengthen the team as vice-chairman at the beginning of this month.

Mr Bob Currier, vice-president for marketing, is to retire at the relatively early age of 56, on July 1. His succession has been arranged in a more orderly fashion and Mr Jack Brinkley, 46, sales director for Southern Europe, will take over.

- Ford's aggressive return to discounting and special dealer incentives sent its car market share soaring to over 32 per cent in May.

# GEC denies interest in UK broker

**By John Moore in London**

GENERAL ELECTRIC Company (GEC), the UK industrial group, yesterday dismissed as "fanciful" suggestions that it was poised to take a 29.9 per cent stake in Grieveson Grant, one of London's largest independent stockbroking firms.

There was widespread speculation in the City of London yesterday that another major realignment was about to take place in the wake of the link-up of Wood Mackenzie, a leading broker, with Hill Samuel Group, the merchant bank.

Grieveson Grant said reports that it had held talks with GEC or BAT Industries, which took over Eagle Star, the insurance group, "have caused a great deal of mirth."

Grieveson Grant is understood to be considering a wide variety of options including the possibility of allowing outside interests to take collectively a minority shareholding in the firm as an investment.

Capel-Cure Myers, another stockbroker, is studying plans which could include a link-up with a banking group. National Westminster, which formed a link with stockjobber Bisgood Bishop, is thought to be looking for a stockbroker to complement the securities market maker in which it has acquired an interest. National Westminster had "no comment" to make on suggestions that it was in discussions with Capel-Cure Myers.

# Canada's First City plans U.S. expansion

**BY BERNARD SIMON IN TORONTO**

THE Vancouver-based First City group, which is controlled by the Belzberg family, plans to extend its recent entry into manufacturing by purchasing a substantial minority interest in Blue Bell of North Carolina, a leading U.S. clothing manufacturer.

First City Financial, the group's holding company, and First City Trust said yesterday they have notified the U.S. Federal Trade Commission and anti-trust authorities that they wish to buy up to 49 per cent of Blue Bell's common shares. First City companies already hold a 9.2 per cent stake in Blue Bell following a series of share purchases earlier this year.

First City Financial said last month that it was interested in participating in a proposed $494.1m leveraged buyout of Blue Bell. It added that its role would be "providing finance and participating as an investor."

First City has already begun negotiations with Blue Bell's investment bankers and with representatives of senior Blue Bell executives involved in the buyout, which would turn Blue Bell into a privately owned company. No details on the proposed terms of First City's participation have been disclosed.

The First City group has, until recently, concentrated on financial services, including property development, equipment leasing and quasi-banking services. In 1982 it diversified into oil and gas, and last February made its first major move into manufacturing by bidding for the Canadian and British packaging operations of American Can.

# AT&T expresses interest in Inmos

Continued from Page 1

exploring options for the transfer of the company to the private sector, he said.

The Government, however, had vetoed a plan by an unnamed group of investors to inject £30m ($42m) in new share capital into the company. The proposal was regarded as "insufficiently attractive because of the profitable peformance of the company and its improved prospects."

Mr Baker's comments provoked concern among MPs about the prospect of Inmos being sold to a foreign competitor.

Mr David Heathcote-Amory, a Conservative, said Inmos should not be retained in the public sector but warned, "it is desirable that it remains in British control and ownership. It is important that this indigenous supplier should not be dependent on decisions taken elsewhere."

Mr Baker said the Government would look very carefully at offers made by non-British companies, including AT&T.

Companies would have to guarantee continued access to Inmos high technology for British industry and commitments would be required on the transfer of high technology to Britain, the continued expansion of Inmos in the UK, and the protection of jobs in the company's British plants.

The Government's commitment to sell the company to the private sector was angrily condemned by Labour MPs. Mr Peter Shore, the shadow Trade and Industry Secretary, said Inmos was "a remarkably successful and highly innovative enterprise which would not have existed if it had not been pioneered as a public enterprise."

# World Weather

| | | °C | °F | | | °C | °F | | | °C | °F | | | °C | °F |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Ajaccio | S | 18 | 64 | Dubrovnik | C | 19 | 66 | Malaga | S | 22 | 72 | Salzburg | C | 12 | 54 |
| Akrotiri | S | 27 | 81 | Faro | F | 18 | 64 | Malta | S | 25 | 77 | Seoul | R | 27 | 81 |
| Algiers | F | 23 | 73 | Florence | C | 21 | 70 | Manila | S | 35 | 95 | Singapore | F | 30 | 86 |
| Amsterdam | F | 15 | 59 | Frankfurt | C | 14 | 57 | Miami | S | 30 | 86 | Stockholm | S | 22 | 72 |
| Athens | S | 27 | 81 | Funchal | F | 18 | 66 | Milan | C | 18 | 64 | Strasbourg | F | 17 | 63 |
| Bahrain | S | 35 | 95 | Geneva | C | 14 | 57 | Moscow | F | 29 | 84 | Sydney | S | 20 | 68 |
| Bangkok | R | 32 | 90 | Gibraltar | S | 19 | 66 | Munich | R | 9 | 48 | Taipei | C | 31 | 88 |
| Barcelona | C | 12 | 54 | Guernsey | S | 13 | 55 | Nairobi | – | – | – | Tangier | F | 17 | 63 |
| Beirut | C | 28 | 82 | Helsinki | S | 19 | 66 | Naples | C | 19 | 66 | Tehran | – | – | – |
| Belgrade | F | 16 | 61 | H. Kong | F | 30 | 86 | New Delhi | S | 40 | 104 | Tel Aviv | S | 28 | 82 |
| Berlin | R | 12 | 54 | Innsbruck | C | 15 | 59 | New York | C | 31 | 88 | Tenerife | F | 21 | 70 |
| Biarritz | F | 15 | 59 | Inverness | C | 12 | 54 | Nice | F | 17 | 63 | Tokyo | S | 25 | 77 |
| Blackpool | C | 12 | 54 | Istanbul | S | 26 | 79 | Oporto | F | 15 | 59 | Toronto | S | 24 | 75 |
| Bordeaux | R | 13 | 55 | Jersey | C | 13 | 55 | Oslo | F | 23 | 73 | Tunis | C | 22 | 72 |
| Brussels | F | 16 | 61 | Jo'burg | S | 18 | 64 | Paris | F | 17 | 63 | Valencia | T | 16 | 61 |
| Budapest | F | 20 | 68 | Las Palmas | C | 22 | 72 | Prague | C | 12 | 54 | Venice | – | – | – |
| B. Aires | C | 15 | 59 | Lima | S | 21 | 70 | Reykjavik | F | 14 | 57 | Vienna | C | 18 | 64 |
| Cairo | S | 32 | 90 | Lisbon | S | 18 | 64 | Rio de J'o | C | 32 | 90 | Warsaw | F | 22 | 72 |
| Cape Town | F | 18 | 64 | Locarno | C | 13 | 55 | Rome | F | 20 | 68 | Zurich | C | 13 | 55 |
| Caracas | C | 30 | 86 | London | C | 17 | 63 | | | | | | | | |
| Casablanca | F | 19 | 66 | Los Angeles | C | 22 | 72 | | | | | | | | |
| Copenhagen | C | 16 | 61 | Luxembourg | F | 14 | 57 | | | | | | | | |
| Corfu | S | 27 | 81 | Madrid | C | 15 | 59 | | | | | | | | |
| Dublin | C | 12 | 54 | Majorca | R | 19 | 66 | | | | | | | | |

Readings at mid-day yesterday:

C–Cloudy D–Drizzle F–Fair Fg–Fog H–Hail R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

# Mondale claims Democrat victory

Continued from Page 1

After his victories in New Jersey, where he appears to have won virtually all the 107 delegates at stake, and in West Virgina, Mr Mondale yesterday claimed to have the Democratic party nomination in his grasp.

"I will be the nominee, I've got commitments well over what I need and I will get more of them," he told a news conference yesterday.

He claimed to have pledges from 2,008 of the delegates to the convention. A candidate needs 1,967 convention delegates to win the nomination next month in San Francisco.

Some independent assessments, including one by United Press International (UPI), also gave Mr Mondale the 1,967 convention delegates he requires.

But both Senator Hart, who is estimated by UPI to have the support of 1,212 delegates, and Rev Jesse Jackson (around 360 delegates) are maintaining that Mr Mondale has not yet completely secured his victory.

In spite of signs of growing pressure from senior Democrats, such as House Speaker Thomas P. O'Neill to concede defeat in the interests of party unity, Senator Hart still insists he will take the battle for the nomination to the floor of the Convention.

Among the factors keeping Senator Hart's hopes alive are the rules of the Convention which leave delegates free to transfer support from one candidate to another ahead of the first ballot. Moreover, some 568 so-called "super delegates" have not been apportioned in the 57 primary and caucus elections which have now come to an end.

Most of these are congressional or state government officials whom the candidates have been wooing privately, Mr Mondale with considerably more success than his two rivals.



Published by The Financial Times (Europe) Ltd., Frankfurt Branch, represented by G.T.S. Damer, Frankfurt/Main, F. Barlow, R.A.F. McClean, M.C. Gorman, D.E.P. Palmer, London, as members of the Board of Directors. Printer: Frankfurter Societäts-Druckerei GmbH, Frankfurt/Main. Responsible editor: C.E.P. Smith, Frankfurt/Main. © The Financial Times Ltd. 1984.

SECTION II – INTERNATIONAL COMPANIES
FINANCIAL TIMES
Thursday June 7 1984



# Disney purchase of Gibson seen as bid to block Steinberg

BY OUR NEW YORK STAFF

WALT DISNEY Productions, which is locked in a bitter struggle to fend off the unwelcome attentions of Mr Saul Steinberg, the U.S. financier who owns Reliance Financial Services, announced yesterday that it has agreed to pay more than $300m in stock for Gibson Greetings, the U.S. greeting card and wrapping paper manufacturer.

The move was seen on Wall Street as another attempt by Disney to thwart a possible takeover attempt by Mr Steinberg, who has built up a 12.2 per cent stake and last week signalled moves to unseat the Disney board. It comes immediately after Disney completed the acquisition of Arvida, a property company owned by the wealthy Bass family of Texas, for $200m in stock.

Disney strongly denied that the acquisition of Arvida was an attempt to ward off the attentions of Mr Steinberg, but the move was widely seen as an attempt to block any low-cost takeover by putting about 20 per cent of Disney's shares in friendly hands. The Arvida acquisition was completed yesterday after Mr Steinberg had gone to court in an unsuccesful bid to block the deal.

Mr Ron Miller, president and chief executive of Disney, said: "We are very excited about the Gibson acquisition. It is a strong company with solid management and an excellent growth record. But beyond that, it is a terrific fit with our own company since it provides many new marketing opportunities for all the Disney characters."

The move marks an abrupt change in strategy for Gibson, which last year had earnings of $22.4m on revenues of $241.5m. The company has had a colourful, if controversial, recent past.

In January 1982 an investment group led by Mr William Simon bought the greetings card company from RCA for $80m in one of the first of a wave of leveraged buyouts.

Eighteen months later Mr Simon took Gibson public in an underwritten offering which valued the 133-year old company at $290m.

# Colonial Penn price boosted by bid talks

By Terry Byland in New York

COLONIAL PENN, the U.S. insurance group, which suffered a serious setback three years ago when the American Association of Retired Persons (AARP) withdrew its endorsement of the company's group health policies, saw a sharp rise in its share price after the disclosure of negotiations with a possible purchaser. The company is valued at about $483m in the stock market.

The stock, suspended at $25¾, resumed trading at $30 after the announcement from the board, which would not comment on suggestions that the bidder might include a group of the existing management.

Colonial Penn earned $45m or $2.78 a share in fiscal 1983, on total revenues of $1.2bn after suffering a $23.4m loss in 1981, reflecting write-offs in the wake of AARP's decision to switch its endorsement to Prudential Insurance.

COURT DEMAND FOR A FAIR OPINION PUTS MORGAN STANLEY ON THE SPOT

# Wall Street waits for the verdict on Shell

BY PAUL TAYLOR IN NEW YORK

IT IS four weeks since Morgan Stanley, one of the most prestigious investment banks on Wall Street, was ordered to rethink its opinion on whether Royal Dutch/Shell's controversial $58 per share bid for Shell Oil was fair, and still no word has emerged. The silence is becoming embarrassing.

Even Morgan's enemies have a sympathetic word for their rival's predicament. It has to advise one of its most important clients on the fairness of an offer which the client has stressed on several occasions it will not increase. At the same time it is faced with weighty opinions and evidence from other respected figures, who believe that its client is getting the company too cheaply.

Even by U.S. standards, Royal Dutch/Shell's bid to buy out the 30 per cent publicly held minority in its highly successful U.S. subsidiary, Shell Oil, is a most unusual affair. Shell Oil's independent directors have said that Royal Dutch's price is more than a fifth below what they could accept.

Shell Oil's advisers, Goldman Sachs, believe the price should be in the $80 to $85 per share range, and Shell management has indicated that the shares might be worth more than $90 if the company was put up for auction.

Yesterday morning Shell Oil shares were trading at $57½, more than four fifths of the outstanding minority shares had been tendered to Royal Dutch/Shell, giving it 94.7 per cent control, and the offer had been allowed to expire. Should Morgan Stanley's revised opinion turn out negative, minority shareholders will be entitled to withdraw their acceptances of the offer.

As far as Royal Dutch/Shell is concerned it firmly believes its offer for the Shell Oil minority is "fair" and it is clearly piqued by the hostility which has arisen in the U.S. over what many people believe has been a clumsily handled offer.

Eyebrows were raised, for example, when Royal Dutch Shell offered to pay Shell Oil employees – who controlled a quarter of the minority shares – $8 per share more for their stock to remove a tax penalty and preserve their retirement benefits. The proposal was dropped after it ran into opposition from the Securities and Exchange Commission.

Royal Dutch/Shell's vocal critics in the U.S. had their first real victory last month. They won the support of a Delaware judge, Morris Hartnett, who ordered Royal Dutch/Shell's offer to be put on ice because he found that "there was a reasonable probability," that Royal Dutch had not offered a "fair price" and "had not made a full and complete disclosure of all the pertinent facts with complete disclosure."

Judge Hartnett was particularly critical of Royal Dutch's insistence that its own adviser, Morgan Stanley, had to base its "fairness opinion" solely on publicly available information on Shell Oil.

"It defies reason to argue that an oil exploration company such as Shell could be valued without any in-depth inquiry into the estimated value of the probable oil reserves," the judge concluded, adding that this sort of conduct "falls far short of the fiduciary duty owed to the stockholders of Shell by the maker of the tender offer."

The judge noted that a disclosure to the effect that Morgan Stanley based its opinion of value on publicly disclosed information "falls far short of the full and complete disclosure with absolute candour required by Delaware law."

Judge Hartnett found that "Morgan Stanley was prevented from doing the job for which it was hired because of the failure of the tender offeror to make available to it data which it would have had to present a valid fairness opinion."

He also found that "certain germane facts were not disclosed to the minority stockholders which they should have been given, if they are to have a fair opportunity to make an informed judgment as to the fairness of the tender offer."

Among the "germane facts" the judge had in mind was a disclosure that some of Shell's management had estimated that the company was worth $91 per share on a going concern basis.

Sir Peter Baxendell, the chairman of Shell Transport and Trading, who along with Mr L.C. van Wachem, president of Royal Dutch, has played a key role in the discussions to buy out the Shell minority, disputes the court's findings. Royal Dutch/Shell plans to appeal against the court ruling at "the appropriate time."

In the meantime he has reasserted Royal Dutch's position "that all relevant information held by us was made available to our financial advisers, Morgan Stanley, for their analysis of fair value, and that we have never failed in our fiduciary duty to the minority shareholders."

It is against this background that Morgan Stanley has been asked by the court to "review in good faith the data developed by the independent committee and to again express their opinion as to the value after such review."

# Houston Gas gets new chief

By William Hall in New York

HOUSTON NATURAL Gas, the Texas energy company which has been the subject of several unwanted takeover bids, yesterday replaced its chairman and chief executive, and hired Mr Ken Lay, the 40-year-old president of Transco, a rival Houston pipeline and energy company, to head the group.

In a brief statement yesterday, Houston Natural Gas (HNG) announced that the 60-year-old Mr M. D. Matthews, chairman, president and chief executive, had elected to take early retirement and to resign from the board effective tomorrow.

Mr Kenneth Lay, president and chief operating officer of Transco, will be appointed chairman and chief executive. Mr James Walzel, HNG's executive vice president, will take over as president and chief operating officer.

HNG refused to elaborate on the reasons for the abrupt departure of Mr Matthews, who has headed the company since 1981. Oil industry analysts noted, however, that there has been considerable criticism of the company following its desperate efforts earlier this year to fight off unwanted takeover bids.

# Degussa ahead at midway but sales fall

FRANKFURT – Degussa, the West German precious metals group, made a "notable improvement" in profits for the first half of the fiscal year ending September 30, 1984, compared with a year earlier on increased unit sales volume. The company announced in an interim report released yesterday.

The company also warned that profits could sag during the second half of the current year depending on trading conditions and the strength of the general world economy. Results will be particularly threatened if industrial action by West German metalworkers to back demands for a 35-hour work week continues for a long time.

"We expect that the improved results achieved during the first half of the year, compared with last year's figures, will not be maintained throughout the coming six months," the company warned. "This effect will be most strongly felt if the labour dispute in the metal industry continues over an extended period." AP – DJ

# ATC expected to revise bid for Victor

By Jason Crisp in London

APPLIED Computer Techniques (ACT), the fast growing British personal computer group, is expected to revise its bid for the assets of the bankrupt Victor Technologies, the California company which makes the Sirius computer.

In March this year the board of Victor and its creditors agreed in principle to an offer worth $16m from ACT. That offer is thought to have represented about $10m for stocks and debtors and a further $5m for Victor's distribution arms in West Germany and France. ACT would have acquired the worldwide manufacturing rights to the Sirius and marketing outside the American continent.

# Midland Bank appoints adviser in U.S.

By Margaret Hughes in London

IN A further move to strengthen its management in the North American market Midland Bank has appointed Mr T. Jefferson Cunningham as senior international adviser, based in New York.

Mr Cunningham, currently vice-chairman of Kissinger Associates, has had 20 years of experience in banking and financial consulting. He is a former group chief executive of Orion Bank and a former area director of Chase Manhattan Bank.

It is widely expected that Mr Cunningham will join the board of Crocker Bank, Midland's loss-making U.S. subsidiary.

# Reichmann may hold 20% of Fairview

BY ROBERT GIBBENS IN MONTREAL

CADILLAC FAIRVIEW, the Canadian property group, believes that the Reichmann family interests of Olympia and York Developments have acquired a stake of almost 20 per cent in Cadillac in the open market on Tuesday, said Senator Leo Kolber, chairman of Cadillac.

The transactions came in blocks of up to 3.2m shares each on the Montreal and Toronto stock exchanges. Acquisition of the interest would have cost the Reichmanns nearly C$100m ($77.5m).

Senator Kolber, also head of Cemp Investments through which the descendants of the late Samuel Bronfman control Cadillac, said: "There is no animosity between the Bronfman family and the Reichmanns and they probably want 20 per cent of a large and growing North American real estate development company, that's all."

Cemp is owned by Edgar and Charles Bronfman and their two sisters, who in turn control Seagram Company and the largest single holding in the Du Pont Company of the U.S.

If the Reichmanns had bought more than 20 per cent of Cadillac, under Ontario Securities Commission rules, it would have to make a follow-up offer to all other stockholders.

# Bethlehem to sell ore stake to Liberia

By Our Financial Staff

BETHLEHEM STEEL of the U.S. has signed an agreement with the Liberian Government for the sale of its 25 per cent interest in the iron ore mining operation known as the Lamco joint venture to a new corporation, which will be wholly owned by Liberia.

As part of the transaction, Bethlehem will undertake to buy about 2m tons of ore per year for three years from the corporation.

The management of the Lamco joint venture, delegated to a Swedish group headed by Granges of Stockholm, is not affected by the transaction.

# DAL steps up risk provision estimate

By Our Financial Staff

DEUTSCHE Anlagen-Leasing, the big West German leasing group owned by a consortium of major banks, said yesterday that its forecast of 1983 risk provisions may have been too conservative.

Herr Hans Wielens, management board chairman, said that the range of DM 400m to DM 670m ($250m) for risk provisions could now be exceeded. However, German press reports putting the figure as high as DM 1.6bn are "at least several DM 100m too high," he stressed.

Herr Wielens's statement came on the eve of today's supervisory board meeting of DAL.

In October of last year DAL announced 1982 risk provisions of DM 256m due to potential losses on real estate leasing operations. Its five shareholders agreed to provide guarantees to cover DM 224m of the provisions.

Herr Wielens said the bank shareholders had been informed of the "current state of external auditing aimed at establishing a final level for 1983 provisions." He said the banks, which met on Monday, are prepared to put up further guarantees if necessary and are financig DAL's leasing operations normally.

The main shareholder is West LB, with 30 per cent, followed by Landesbank Rheinland-Pfalz Girozentrale (26.6 per cent), Hessische Landesbank Girozentrale and Bayerische Landesbank Girozentrale (both 16.7 per cent) and Dresdner Bank (10 per cent).

The cabinet of the Rheinland Palatinate state government met on Tuesday to discuss the need to increase 1983 provisions at DAL, a local government official said yesterday.

# State asks Schneider for more Creusot-Loire cash

BY DAVID HOUSEGO IN PARIS

THE French Government has asked the Schneider group to provide Creusot-Loire, the French-based international engineering group fighting to stave off bankruptcy, with a further cash injection of FFr 800m ($96.8m).

Schneider, the biggest shareholder in Creusot-Loire, received the request in a letter yesterday. It marks the first opening in the deadlock between the Government and Creusot-Loire since the group sought protection from its creditors on May 13. The fresh funds would be in addition to the FFr 720m which Schneider put up in November at the time of the last rescue package.

Schneider, which indirectly holds 50 per cent of Creusot-Loire's shares, has since maintained that it is in no position to provide further capital. The Government has made clear that unless Schneider is prepared to go further neither the Government nor the banks are willing to consider Creusot-Loire's appeal for FFr 2bn-3bn of fresh capital, largely through a consolidation of outstanding loans.

Both the group's own advisers and experts appointed by the Paris Tribunal of Commerce have said that the integrity of the group cannot be safeguarded without a strengthening of its capital base.

The Government letter comes only a week before the deadline which the tribunal has set for Creusot-Loire to come up with a recovery plan which has the support of the banks and the Government.

# Montedison expects break-even

BY ALAN FRIEDMAN IN MILAN

MONTEDISON, Italy's leading chemical company, lifted sales by 27 per cent in the first quarter and a recovery to break-even for the year, was forecast at yesterday's annual meeting by Sig Mario Schimberni, the president.

This would be the first time Montedison had not been in loss since 1979. The group last year reported a L322bn loss on sales of L10,660bn—this was down sharply on the 1982 loss of L859bn.

Montedison has also reported improved operating margins in the first three months of 1984. This it attributes to a recovery in the world chemicals market, a more efficient group management structure and lower financial charges. The company's indebtedness is around L3,900bn.

Sig Schimberni said that base chemicals are expected to account for 34 per cent of group profits, against 3 per cent in 1982, but only 36 per cent, against 42 per cent, of sales.

Health products and specialty chemicals would this year represent just under 20 per cent of group sales, up from 15 per cent in 1982.

The service sector division would also account for around 20 per cent of 1984 sales, compared with 15 per cent two years ago. This would leave just under a quarter of revenues coming from the energy division.

Montedison planned to invest L1,000bn in research and development over the next three years, Sig Schimberni said.

Last year the group spent L260m on research.

# Dutch paper group increases sales

BY OUR FINANCIAL STAFF

BUHRMANN-TETTERODE, the Dutch paper, printing and packaging group which staged a strong profits recovery last year, has increased sales by 12 per cent for the first five months of 1984.

The company confirms that its results for the whole of 1984 will show a significant improvement, and says that of the five month gain in sales around 8 percentage points represent volume growth.

Buhrmann's sales performance this year therefore contrasts with that of 1983 when net profits rose from Fl 12.6m to Fl 20.9m ($6.9m) on a negligible improvement in turnover. The main impetus to profits for 1983 was reduced interest charges.

The company says it sees 1984 as a year of transition, allowing it to recover to a more "normal" level of profitability.

# Swedish packaging group profits ahead 81%

By Kevin Done, Nordic Correspondent in Stockholm

PLM, the Swedish packaging group, increased profits strongly in the first four months of the year helped by a further sharp rise in productivity.

Profits before tax, allocations and extraordinary items jumped by 81 per cent to SKr57.8m ($7.2m) from SKr 32m in the corresponding period of 1983. Sales rose by only a modest 7 per cent to SKr 1.06bn from SKr 999m a year earlier.

Including extraordinary items, which for 1983 amounted to SKr 11.8m, group profits for the four months before tax and allocations were 32 per cent ahead at SKr 57.8m.

PLM's finances were strengthened by two share issues, in Sweden and Denmark, at the end of 1983. A further share issue is planned to investors in the UK later this month, when PLM will seek a listing on the London Stock Exchange. The group is currently quoted in Stockholm and Copenhagen.

More foreign capital is being sought to help finance the group's further international expansion.

PLM has decided to expand two of its three aluminium can production lines at its new plant in Malmo, which already has a capacity for producing more than 1bn cans a year.

As part of its strategy to concentrate activities on packaging and waste recycling, PLM has sold its materials handling subsidiary in Holland. At the same time it is looking to the U.S. as the best potential market for expanding its sales of systems for recovering energy from household waste.

# Losses nearly double at Motor Iberica

By David White in Madrid

NISSAN'S Spanish subsidiary, Motor Iberica, showed an unexpectedly high loss of Pta 5.77bn ($38.5m) for 1983, some 30 per cent more than initial estimates.

The figure, published in the annual report, is almost twice the Pta 3.07bn deficit recorded in the last full financial year, which ended in October 1982. The company has since switched to calendar-year accounts.

Motor Iberica said, however, that the loss was entirely due to heavy financial charges and write-offs and that it made operating profits of around Pta 1.5bn. It aimed to become profitable in one or two years.

Nissan bought up Massey-Ferguson's minority stake in the Spanish manufacturer in 1980 and currently holds about 70 per cent.

Turnover rose by 20.5 per cent last year to Pta 50.77bn against Pta 42.13bn in the 1981-82 financial period, with exports progressing at a slower rate of 6.6 per cent to Pta 7.33bn, narrowly beating the company's 1978 export record.

The loss coincided with a reduction in the domestic market for vans, lorries and farm tractors. The only sector in which Motor Iberica showed an advance was four-wheel-drive vehicles.

## Lafarge Coppee

Lafarge Coppee incurred an operating loss of FFr 2.1m for the first quarter of 1984, against a deficit of FFr 9.9m a year earlier. In yesterday's paper the first quarter results were wrongly stated as an operating profit of FFr 7.8m, against a FFr 2.1m loss.

# Austrian textile maker has the future sewn up

MENTION Marks and Spencer to Herr Hanno Hammerle and an embarrassed silence is likely to follow. Not that there is bad blood between the British retailer and F. M. Hammerle, the Austrian textile company, of which Herr Hammerle is a director.

Quite the contrary. Marks and Spencer is Hammerle's largest single customer, taking on average about 8 per cent of production. Marks and Spencer representatives are frequent visitors to Hammerle's headquarters in Dornbirn, in Austria's westernmost province of Voralberg. But the company is fiercely independent. It does not want to cede ground when it comes to negotiating prices.

Herr Hammerle is deputy director for marketing and a fifth generation descendant of Franz Martin Hammerle, who founded the family business in 1836. He says the company likes to keep control over pricing policy and as a client becomes more important this becomes more difficult. "Luckily we have about 3,000 customers worldwide."

Today Hammerle is one of Austria's most successful textile companies, praised by the Austrian National Bank earlier this year for its export performance. But like many Austrian companies it went through some difficult moments in the 70s. Many had to close down, although Herr Hammerle believes that those which survived the onslaught from the Far East and the stiff competition from Europe are now in a stronger and more secure position. Nevertheless the home industry has been left with barely 25 per cent of the domestic market.

The Federal Association of the Austrian Textile Industry says there were 463 textile companies in 1974. Last year there were only 363.

Exports, which grew by 12.1 per cent and 23 per cent in 1980 and 1981 respectively, registered only 3 per cent growth in 1982 and fell by 6.6 per cent last year to Sch 19.9bn ($1.1bn). Imports on the other hand have continued to grow, rising by 4.7 per cent to Sch 21.3bn last year.

Dr Helmut Huber, director of Federal Association of the Textile Industry, says that Austria's performance has not been that bad." The fall in exports is not an Austrian problem. It is a problem for textiles world-wide." The rise in imports, which was relatively modest in 1983 compared with previous years, was mainly due to the openness of the Austrian market, he says. But he does not believe that a return to protectionism in Austria or elsewhere is an answer to the industry's problems.

**F. M. Hammerle survived the 1970s recession and is optimistic about its prospects, reports Patrick Blum from Vienna. Although the company went public in 1970, it has remained under family control.**

It certainly would not help companies such as Hammerle which exports around 75 per cent of its production. Herr Hammerle says that the company's success is the result of being able to adapt new techniques, strong marketing, and to a constant effort to extend its share of the higher quality market. Bundles of fabrics in Dornbirn are destined for Montreal, New York, London or Paris for clients at all levels of the retailing spectrum, including Dior and Marks and Spencer.

Hammerle is looking to the future with some optimism. It is making steady profits: net profits were Sch 21m last year after tax, allocations to reserves and investment in machinery worth Sch60m.

The company has, however, had its share of troubles. The downturn in demand had a "catastrophic impact," Herr Hammerle says. Orders fell by about half while prices of raw materials and energy rocketed. Turnover which had passed the Sch1bn mark in 1970 fell to around Sch700m and losses mounted.

But Hammerle somehow pulled through. In 1982-83 turnover was Sch1.1bn, and sales are expected to exceed Sch1.4bn this year.

For older members of the Hammerle family the most dramatic change was the company's decision to go public in 1970. This was done mainly to take advantage of new tax incentives for private businesses going public. The move did not win unanimous approval, but proved successful, Herr Hammerle says. "For a modern company it is the best thing to do." In practice, although one of the four directors is not a member of the family, shares have remained in family hands.

Would he like to broaden the company's base further? "It isn't necessary. You can get unknown people who don't know the business well and we don't need the money. We like to keep things in the family."

# INTL. COMPANIES & FINANCE

## Large provisions push loss at Conic to HK$374m

BY DAVID DODWELL IN HONG KONG

CONIC INVESTMENTS, the *Hong Kong electronics group* suspended on the stock exchange for almost three weeks while auditors investigate potentially irrecoverable debts owned by a major shareholder, yesterday announced losses for 1983, after extraordinary items, of HK$374m (U.S.$47.9m).

The company said it is taking legal advice about overstatement of turnover and profit figures in 1983, and is considering a reorganisation of senior management. A reduction of share capital and an injection of new funds are likely to be part of a financial restructuring now being devised to rescue the company.

Conic Investment is Hong *Kong's largest electronics group* when taken together with its private associate, Honic. The suspension has proved an awkward embarrassment to mainland Chinese interests in Hong Kong. For in January the Bank of China, together with China Resources, the country's main state trading organisation in the Territory, effectively rescued Conic by a capital injection of HK$178m in return for a 34.8 per cent shareholding.

The main shareholder in Conic, apart from Sin King the joint-venture company formed by the Bank of China and China Resources *to acquire their stake*, is Mr Alex Au Yan-Din, the group's founder-chairman.

Mr Au has not attended any company meeting since May 17, a day before suspension. The company said yesterday that his whereabouts were not known.

The company announcement revealed a new consolidated loss before extraordinary debits of *HK$263m, which included a* HK$217m provision for doubtful debts from Honic and its affiliates. All Honic companies were almost 100 per cent controlled by Mr Au.

Writs have been issued "against appropriate parties."

Further extraordinary losses of almost *HK$112m were mostly* due to writing off the value of investments in Honic companies.

Referring to short term advances to Mr Au, which were reported in the published accounts for 1982 as HK$118m, the company said these had increased during 1983 to HK$164m. Efforts were being made to recover the advances.

Auditors Price Waterhouse said that 1983 turnover figures had been inflated by almost HK$69m, with profits enhanced by HK$21m. These mis-statements had been adjusted, the company said.

Underlying its extraordinary problems, Conic revealed a trad*ing loss for 1983 of HK$45.5m*, and losses for the first five months of 1984 amounting to about HK$10m. The group nevertheless predicted an improvement in the second half, and forecast a "small profit" for the year as a whole.

## Gold Peak to proceed with flotation plans

By Our Hong Kong Correspondent

GOLD PEAK Industries, Hong Kong's largest battery manufacturer, is to go ahead with a public flotation intended to raise HK$94m (US$12m) despite concern that such a move is fraught with difficulty in the currently-depressed Hong Kong stock market.

The flotation, involving the issue of 63m shares at HK$1.5 each, will be the first to test the market since it collapsed six weeks ago after Sir Geoffrey Howe, Britain's Foreign Secretary, revealed that China will take over the reins of power in Hong Kong after 1997.

Since then about 20 per cent has been wiped off the value of shares on the Hong Kong market, and three other companies queueing for flotations have deferred their plans.

Subscriptions for the shares, which will represent 35 per cent of the enlarged capital, will begin on Tuesday, and close on Friday June 15. The offer has been fully underwritten by Gold Peak's financial advisers, Schroders and Chartered.



## Illinois moves towards change in bank law

FINAL ACTION on a change in Illinois law which would allow out-of-state banks to bid for Continental Illinois, the troubled Chicago Bank, could be between one and two weeks away, Reuters reports from Springfield, Illinois.

A State Senate committee on Tuesday approved a measure backed by the bank to allow out-of-state institutions to bid for it. But the committee was voting yesterday on a proposal from First Chicago that would allow Illinois banks to match or better any out-of-state offer for Continental.

The State Senate's decisions must also be approved by a State House/Senate conference committee.

The State legislature could take two or more weeks to agree on final Continental-related legislation, said a senator.

## Pyramids Bank negotiates for cash to offset bad debts

BY CHARLES RICHARDS IN CAIRO

PYRAMIDS BANK, a wholly Egyptian owned institution, yesterday confirmed that it was in *negotiations* with a *number of* foreign Arab banks for an injection of capital, to help it overcome difficulties arising from bad loans to a well known money changer.

The three interested groups are the Al Baraka group, run by Sheikh Salah Kamal, the Saudi businessman who runs his business on Islamic lines, the *Trans Arabian Investment Bank* of Bahrain and the Bank Al-Watani of Qatar.

One western banker commented "this is good news for Egypt, and for Pyramids' correspondent banks. The last thing Egypt needs at this time is a banking failure." This attitude reflects that of the Egyptian Central Bank, which has appointed a troubleshooter from the National Bank of Egypt, one of the four public sector banks, to put Pyramids' house in order.

In the next few days, Pyramids is due to raise its paid up capital from E£7m ($10m at the exchange rate at the time of incorporation) to E£14m.

Al Baraka is proposing that Pyramids should raise this to E£40m, with Baraka providing E£19m—on condition that the bank be run on Islamic lines—that is without interest.

Pyramids says that Taib has offered to take a 49 per cent equity stake, the maximum allowed a foreign bank.

Pyramids troubles *appear to* stem from loans to Mr Sami Ali Hassan and his companies. Mr Sami is now under house arrest pending investigation by the Socialist Prosecutor General, the judicial official who deals with allegations of corruption.

Pyramids have managed to cover $16m in indebtedness by raising $6m to $7m in personal *guarantees from the directors*, a further $6½m on mortgaged property, and the rest from other sources.

Collateral for the loans of up to $10m came in the form of customers postdated cheques, countersigned by the Jammal Trust Bank, the branch of a Lebanese bank operating in Egypt.

Jammal Trust is refusing to honour the cheques on the grounds they were forgeries signed by unauthorised signatories who have since left the bank. The Pyramids, and two other banks with similar cheques, Faisal Islamic Bank and Egypt Arab African Bank, argue the cheques have the status of bankers drafts and must be honoured.

Jammal Trust is now taking the matter through the courts. In the meantime, Mr Ali Jammal, the trust's chairman, is under house arrest.

## Small U.S. producer sought by new Arab oil company

BY MARY FRINGS IN BAHRAIN

INTOIL, an independent Arab oil company with authorised capital of U.S.$60m, has been incorporated as an offshore company in Bahrain. At present $16.25m of the capital is paid up.

An early objective will be to acquire a small U.S. producing company with proven reserves. After generating some cash-flow it plans to move into operating concessions in the Gulf, principally the United Arab Emirates, and then to expand into downstream activities such as refining and oilfield services.

Although the paid-up capital is adequate for immediate needs, Mr Hassan A. Fakhro, executive chairman, says shares are being placed by five leading financial institutions and he expects to have $30-$40m in hand by the end of the summer.

Mr Fakhro is a petroleum production engineer and former head of Bahrain National Oil

# Balkancar's European ambitions undaunted by French rebuff

BY DAVID BUCHAN, RECENTLY IN SOFIA

THERE WAS once a down-at-heel French princess desperate for a financially advantageous marriage to keep the family palace going. There was a Balkan peasant with money to spend and anxious for an up-market dynastic liaison to extend his business. Of all the suitors, the Balkan had the best-laid plans to repair her *chateau*, retain her servants, and keep her in the manner to which she was accustomed. But the Balkan's proposal was frowned upon by the local authorities and some relatives of the princess, worried that *it would ruin the neighbourhood*. The pressure prevailed, and the drawbridge was pulled up in the Balkan's face.

This, at least, is how Mr Nikolai Georgiev, president of Balkancar, the Bulgarian fork-lift truck maker, reads the failure of his company last year to win control of, or indeed to get any equity stake in, Fenwick Manutention, the ailing French manufacturer of fork-lifts. The fact that Fenwick turned—against its better judgment, Mr Georgiev believes—to the West German group of Linde for its salvation is attributed by Balkancar to an unholy mix of French chauvinism, bureaucratic obstruction and bad general publicity for Bulgaria in the Western press. "The rough Balkan was just not considered good enough for the blue-blooded French princess," Mr Georgiev says.

But Balkancar claims to have been hurt by the incident in nothing but its pride. It remains the world's largest maker of all kinds of fork-lift trucks, a position it has held since 1978. Employing 45,000 people, it is Bulgaria's largest single industrial enterprise, with a product range that extends to bus, truck and car assembly. While retaining, and if anything, increasing, its virtual monopoly hold on the Comecon market, it is still poised to try to widen its bridgehead in the West European market.

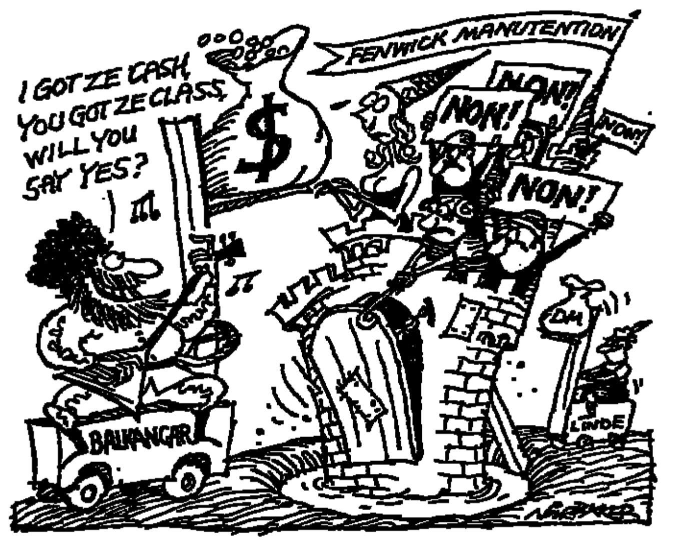
As present, Balkancar has some 3-4 per cent of the market *in the larger West European* countries. Mr Georgiev wants to see this grow to 10-15 per cent. To achieve this, Balkancar is "looking for Western partners," both to help it with marketing and with developing *its products to meet the more* demanding specifications of Western customers. Thus, for the moment it is not interested in starting up West European manufacture on its own, though Mr Georgiev does not rule this out for the future.

The two current options for the Bulgarian company are to buy Western companies outright or to develop further industrial co-operation with Western companies on a joint venture basis. Neither is implausible. Bulgaria is the only Comecon country to show an interest in taking an equity stake in Western manufacturing (as distinct from joint marketing ventures, which many Comecon countries have in the West). It recently bought a West German machine tool company, Roeperwere.

The Balkancar president scoffs at the idea that the Fenwick case was a serious setback for his company: "We saved $10m," he say, and he is prospecting for other takeover candidates. It is also evident that *Balkancar has cash* available. Its exports outide Comecon exceed its imports by a ratio of four to one, giving currently an annual hard currency surplus of some $100m. Under the latest Bulgarian economic reforms, *the share of profits which the* more successful enterprises are allowed to retain for their own use has been raised from 50 to 70 per cent.

Mr Georgiev stresses that Balkancar would not want to reduce *or change the nature of any* Western company it took over. He suggests that the same sort of deal on offer to Fenwick last year, with Balkancar "covering debts, preserving jobs, providing technical help and preferentially-priced Bulgarian-made components," would be available to others. Any company which Balkancar bought would continue trading under its own name, he says, giving the example of its existing co-operation agreement with Irion, under which Bulgarian products are sold under the Irion label.

But should no takeovers materalise, Balkancar is in any case seeking more industrial co-operation deals in the West, along the lines of joint ventures already established with Irion, Technip of France and Technipetrol of Italy, and those under discussion with Klaas of West Germany and Lancer Boss of the UK. "The Fenwick case has in fact brought us closer to Lancer Boss."




Balkancar's industrial co-*operation with Western com*panies stems in large part from the use it has made of Western licences over the years. Its relations with Perkins of the UK are the best example, Mr Georgiev says. "In 1967 we *bought a simple licence from* Perkins—cash for documents. In 1982 we turned this into joint development, manufacturing and marketing of diesel engines." Balkancar now has more than a dozen Western *licences, most of them for com*ponent manufacture as with Bosch for electric motors, Plessey for hydraulics, ZF of West Germany for steering, but also (as of 1983) with Steyr-Daimler-Puch for completed modular buses.

It is these Western licences that have, to a large degree, enabled Balkancar to consolidate its hold on the Comecon market, where 90 per cent of its exports go. Under the Comercon specialisation scheme Bulgaria was given 20 years ago the sole monopoly within the Soviet bloc of providing electric motor fork lift trucks, because *it had copper to use in batteries*. But diesel trucks have proved increasingly popular in Comecon countries because the engines are simpler and tougher than the electrical variety and the fuel has been cheaply available *from the Soviet Union*.

Balkancar faced the most serious threat in its existense in 1980-81 when the Soviet Union, by far its biggest customer, was contemplating a big fork lift truck plant of its own in the *Ukraine*. After tough bargaining, Balkancar succeeded in getting the Soviets to drop the idea only by convincing them of the established merits of its Perkins diesel engines, and by promising to triple production of diesel fork-lift trucks during the next, 1986-1990, five-year plan.

The result is that Balkancar, which was already last year supplying the Soviet Union with 48,000 fork lift trucks, is committed to increasing deliveries to the Soviets by some 7,000 each year until the end of this decade. It is a risk as well as an opportunity. As one Balkancar executive comments, it is no small responsibility to persuade a superpower like the Soviet Union to rely on your supplies and to forego its own production. But it is a challenge that Balkancar is eager to take up, and to use to make its hold on the Comecon market total.

Balkancar believes its Comecon position is what makes it such a formidable competitor, or potential partner, in the West. "Time," by which he *means increasing market con*solidation in Comecon, "is on our side," Mr Georgiev claims. His dream—or pipedream—is a joint East-West company with unbeatable political and commercial access to all parts of *the world*.

# UK COMPANY NEWS

## Pegler-Hattersley slips to £17m in year of flat demand

A FALL in trading margins together with more than doubled redundancy costs left Pegler-Hattersley with lower taxable profits of £17.02m, against £17.76m, for the year to end-March 1984.

Group sales were virtually unchanged at £152.63m, against £139.16m, and trading profits fell by £487,000 to £10.55m as a result of "highly competitive conditions in building product markets and restricted activity in the petro chemical industries," says Sir Peter Matthews, the chairman.

Redundancy costs amounted to £1.14m (£502,000) and the taxable result was also depressed by a drop in net interest receivable to £1.79m (£2.02m).

However, a £61,300 rise to £5.82m in earnings from related companies partially offset the combined effect of these adverse factors on group results.

Pegler is a manufacturer of domestic plumbing, heating fittings, industrial valves and general products.

The directors propose to increase the final dividend to 8.5p, which will give shareholders a higher total payout of 13.5p compared with 11.85p.

Although earnings per share after tax fell to 30.6p (33.6p) they more than cover the higher dividend.

Tax took £7.68m (£7.51m) to leave net profits of £9.34m (£10.25m). Retained profits emerged over £2m lower at £4.12m (£6.62m) after dividends and a £1.09m extraordinary charge

Sir Peter Matthews, the chairman, expects to see benefits from rationalisation

### ● comment

Pegler's 16p share price rise to 238p has more to do with the 8.3 per cent yield attraction than the profits performance. The company has only managed to mark time—reflecting difficulties both at home and abroad. In the UK the main concern is competition, which begs the question of whether the company is holding on to its market share. This, and the reduction in local authority spending on repairs has reduced the distribution from the building products division, so the compensating improvement from the valve division was fortuitous. Over in North America the distribution business has again been knocked by the low level of activity in the petrochemicals industry, and U.S. profits have ben cut in half. In contrast, cash flow continues strong—net cash is up £4.5m to £18.5m—which suggests that the company is on top of the situation. But this should not obscure the outlook. Rationalisation will only bring modest gains, which confirms Pegler as one of those solidly uninspiring companies whose prospects never seem exciting enough to attract anything but a modest rating. The p/e is 7.5.

## Plysu shows maintained progress in second half

SECOND HALF pre-tax profits at Plysu, manufacturer of plastic containers and domestic wares, increased from £1.33m to £1.68m, and figures for the 53 weeks to March 31 1984, improved from £2.65m to £3.31m. The final dividend is effectively raised from 1.59p to 1.9p net for a total up from an adjusted 2.27p to 2.7p.

Pre-tax profits were after employee profit sharing scheme amounting to £100,000, but included interest receivable of £241,000 (£147,000) and associates profits of £97,000 compared with £48,000.

Group turnover rose from £20.06m to £23.31m. There was a tax charge of £1.3m (£1.23m), and there was an extraordinary debit this time of £695,000. Earnings per 10p share were up from an adjusted 9.5p to 13.4p.

The directors say provision for deferred tax has been made for the effect of timing differences which are estimated to reverse in the next five years on the basis of the provisions of the Finance Bill.

During the year, the company spent £2.4m in continuing the policy of installing modern moulding and printing machinery to expand the containers capacity, and to improve the efficiency of housewares production. Automated handling and packaging is also beginning to make a contribution.

Plysu Europe has had a good year, and the company is negotiating to buy the majority shareholders' interest, together with the other blow moulding business.

The directors announced that in April when they said talks were taking place with Koninklijke Houthandel William Pont NV, a listed Dutch company, which might lead to the company acquiring Phoenix Plastics BV, a wholly-owned subsidiary of Wm Pont NV. Phoenix Plastics owns 51 per cent of Plysu Europe, which is a 49 per cent owned associate of the company.

### BSC JOINT VENTURE DEFICIT CAUSES CONCERN

## JFB reduces group loss to £2.5m midway

AN IMPROVEMENT at the mid-term mark has been reported by Johnson and Firth Brown, specialist engineers, where the overall pre-tax loss has been reduced by £3.2m to £2.54m for the half year to March 31 1984.

The result includes the group's 50 per cent share of the losses incurred by Sheffield Forgemasters, the joint venture formed with BSC two years ago, which has been reduced from £4.88m to £3.45m. At the last year end, when the group announced a £10.89m loss, Mr John Clay, the chairman, stated that rapid progress had been made on all of the associate's rationalisation and capital expenditure schemes. He now says that the continuing losses are a matter of concern for the board.

Before taking the Sheffield Forgemasters' loss into account, JFB experienced a £1.78m turnround during the period to a £913,000 profit, of which the group's other associates contributed £157,000 (£32,000 loss).

The deficit on distributable reserves has meant the deferral once again of the preference dividend, last paid in September 1982, and in the circumstances the directors are unable to recommend an interim ordinary dividend, as in each year since 1980.

The "slow but steady" recovery reported last February has continued into the current year, lifting turnover by £13.96m to £64.55m. The higher level of demand in the group's traditional markets within aerospace, vehicle and general engineering now appears to be more firmly based, state the directors, and, assuming an improvement in Sheffield Forgemasters, "the group can look to further progress."

Group operating profit increased substantially from £976,000 to £2.67m, but this was reduced by interest charges of £1.92m against £1.81m.

The tax charge was up from £210,000 to £238,000, and there was an extraordinary debit of £109,000 (£223,000 credit). The loss per share pre-extraordinary item, came out at 2.9p (5.8p).

The chairman adds that despite the decline in reserves and the high level of sales, net borrowings have been contained in the period. The reason for this is that the adverse movement in reserves has been caused entirely by Sheffield Forgemasters' losses, which he says, do not in any way affect the group's cash.

As part of on-going efforts to improve the group's competitive position, it has entered into an agreement to merge the copper and aluminium interests of Johnson and Nephew (Non-Ferrous) with those of BICC, cable manufacturer.

It is anticipated that this "major development" will be of substantial benefit in the future. The formation of the joint company, Thomas Bolton and Johnson, provides a half-share in one of the larger copper wire drawing operations in Europe. However, there will be rationalisation costs and the group cannot look to any significant contribution until next year.

See Lex

### HIGHLIGHTS

After briefly reviewing events in the gilt-edged market Lex examines the progress of the heavy engineering sector in the light of the results from Johnson & Firth Brown and the decision by Aerow to pass by its preference dividend payments. The column then moves on to comment on the future of the Crown Agents in the light of an annual report for 1983. Finally Lex looks at the state of play in the corporate bond market in the wake of Marley's £25m debenture announced yesterday.

## Marley raising £25m by debenture offer

BY TERRY GARRETT

THE NEW issue market in corporate bonds sprung into life yesterday with the arrival of Marley offering a 25-year debenture stock.

Merchant bankers Hill Samuel arranged a placing of £25m of the 2009 dated stock at a price of £98.152 per cent. The issue offers a gross redemption yield of 12.113 per cent—a margin of 1.2 per cent over the usual gilt benchmark of 13½ per cent Treasury 2004-08. The issue is payable as to £25 per £100 nominal of stock on application with the balance due by November 22.

Apart from the £360m of BAT unsecured loan stock issued last January to partly fund the Eagle Star acquisition this is the first fixed rate stock to come out of the industrial sector for almost a year. In July last year Westland raised a £30m 25-year debenture, also priced with reference to the 13½ per cent Treasury stock but with a higher yield margin of 1.5 per cent.

Since then the dozen new fixed interest stocks from the corporate sector have largely been issued by either property companies or investment trusts.

Marley's debt profile until now has been somewhat unusual in that most of its near £90m of borrowings shown in the last accounts were bank loans at variable rates of interest.

Mr Mike Armstrong, Marley's finance director, said yesterday: "We have been aware for two or three years of the need for long term fixed interest funds and have been meaning to do this as soon as the time seemed appropriate. That time came with the publication of last year's profits."

Marley staged a substantial recovery last year with pre-tax profits more than doubling from £12m to £28.2m.

The decision to issue a debenture was taken at a board meeting on March 14, coincidentally the day after the Budget when the Chancellor put corporate bonds onto the same footing as gilt-edged stocks for capital gains purposes.

The company's issue has been waiting in the Government Broker's queue ever since though the dramatic shake out in the market in recent weeks put the issue in some jeopardy. W. Greenwell, broker to the issue, commented: "If the money supply figures had been poor there wouldn't have been a Marley issue."

Marley has made little effort to try to time its issue with the low point in interest rates. Mr Armstrong added: "We are not clever enough to predict interest rates but if we can't make more than 12 per cent on this money over 25 years something is seriously wrong with Marley."

Interest on the stock will be payable half yearly on June 30 and December 31. Dealings are expected to start on Friday.

See Lex

## Pearl new life business levels maintained

THE EFFECT of the withdrawal of life assurance premium relief was much less than many commentators had suggested, Mr R. E. Holland, the chairman of Pearl Assurance, claimed yesterday.

He told shareholders at the annual meeting that the numbers of policies sold to date this year in both the Ordinary and the Industrial branches were similar to levels for the corresponding period last year.

There had been a temporary disruption in canvassing following the Budget announcement, but business was now back to normal.

The company was running a TV campaign putting the emphasis on individuals having adequate life cover, a move that fitted in well with the loss of tax relief. The effects on the types of policy being sold were already showing up in the new business figures.

However, Mr Holland had a different tale for Pearl's general insurance business. The winter storms had cost the company £1.25m and there was a pre-tax loss in the first quarter for the general insurance branch. But he told shareholders that he had no reason to suppose that the usual pattern of trading profits in the second and third quarters would not be repeated this year.

At other annual meetings, the chairmen said the following:—

● Mr J. Gratwick of mail order group Empire Stores (Bradford) said that bad debt continued its slow but steady decline, in accordance with expectations. Unless some special unforeseen circumstances arose, the company expected a significant improvement in profits at the end of the current year.

The company was enjoying a constant improvement in sales and agency strength and this increase was continuing. After four months trading in the current year, sales showed a 9 per cent rise over last year and the company's agency strength had increased by 5 per cent.

As indicated in the annual report, there would still be a substantial imbalance between the two half years. At last year's AGM, Mr Gratwick said that he thought that the company was about to reverse the trend of recent years.

● Sir Leslie Fletcher reminded shareholders of Glynwed International that in his chairman's statement with the 1983 accounts, he expressed confidence about the sustained level of activity in the UK. This, he said, had continued throughout the first four months of this year.

The U.S. operations were improving somewhat more quickly than anticipated and in these circumstances, pre-tax profits for the first four months of 1984 had already exceeded the £8.1m made in the whole of the first half of 1983.

The chairman also reported that the level of indebtedness had continued to decline. Glynwed's activities include the manufacture of engineering and building products, stel stockholding and distribution.

## COMPANY NEWS IN BRIEF

Alexander Duckham, a subsidiary of British Petroleum, maintained its improvement in trading performance during the second half of 1983 and achieved a profit of £959,000 (£25,000).

The restructuring of its lubricants business resulted in an extraordinary item of £1.46m, leaving a loss for the year of £501,000 (£285,000).

* * *

Both taxable profit and turnover have shown substantial increases in the year to the end of 1983 for Mercantoil, the offshore equipment group formerly known as Flaunton. The result before tax rose from £3,000 to £162,000 on turnover which was up by £1.09m to £2.03m.

Mr Laurence Hill, chairman, said that the turnover achieved by the company's subsidiaries in the first quarter of the current year was approximately £1m and, together with a current order book of a further £1m and turnover of the Associated Offshore-Onshore Services, of which the group owns 40 per cent, "indicates a substantial increase in turnover for the current year."

He added that this will produce a major advance in profits for the first half of 1984 and stated the company's intention to seek a USM quotation this coming October.

* * *

With a deliberate emphasis being placed on North American investments the London & Lennox Investment Trust is proposing to change its name to Gartmore American Securities.

* * *

Mr Ray Parsons, chairman of Bowthorpe Holdings, told the annual meeting that profits for the first five months of 1984 were well ahead of last year, especially overseas, while orders were 40 per cent higher.

He was confident that results for the whole year would substantially surpass those for 1983.

* * *

Capital Gearing Trust has cut its loss for the year ended April 5 1984, is raising its dividend from 0.25p to 0.35p net, and is to make a 1-for-1 scrip issue. Over the year its net asset value has risen from 93.7p to 139.7p.

The loss before tax was reduced from £15,000 to £9,000, comprising dividends and interest received £88,000 (£83,000) less total expenses £97,000 (£93,000) of which £82,000 (£86,000) were interest payment. Tax takes £2,000 again, and £15,000 (£20,000) is transferred from capital reserves to give net earnings of 0.39p (0.25p).

* * *

Of the rights issue by Amstrad Consumer Electronics of 15.54m ordinary shares at 85p per share, 12.95m shares, including those underwritten, have been taken up (approximately 83.3 per cent).

* * *

Improved pre-tax profits of £17,000 against £6,000 have been shown by Cardiff Property for the six months to the end of March 1984. The net interim dividend has been held at 0.6p—in the last full year a total of 1.7p

## First-half setback at Carr's Milling

INTERIM pretax profits of Carr's Milling Industries fell by £227,000 to £443,000 but the Carlise-based group is holding its dividend for the opening half at 1.75p net per 25p share.

The directors say prospects for the second six months are encouraging and, based on current trading, profits for the period should "comfortably" exceed the £220,000 returned for second half of 1982-83.

Sales to external customers for the 28 weeks to March 3 1984, rose from £22.09m to £25.6m.

Good results were achieved by the animal feeding stuff and agricultural activities. However, two major capital projects undertaken by Robertsons (Bakers) and Carr's Flour Mills resulted in significantly increased costs and depressed first half profits.

Although the projects have yet to be completed some financial benefits are already being accrued from the flour mill remodel and since the new bread plant was commissioned in January, Robertsons has materially improved its position and is expecting a high demand for its products.

## Hunter Saphir oversubscribed

THE OFFER for sale of just over a tenth of the equity of Hunter Saphir, a fresh food distributor, has been more than 72 times oversubscribed. The issue of 1.78m shares at 120p each, attracted 33,104 applications for a total of 130.76m shares.

The basis of allotment is: applications for up to and including 9,000 shares go in a weighted ballot for 200 shares and applications for 10,000 shares and above will receive approximately 1.25 per cent of the amount applied for subject to a minimum allotment of 200 shares.

## Davenport Knitwear

Pre-tax profits of Davenport Knitwear continued to decline through the second six months and the group finished 1983 £101,000 lower at £759,000 pre-tax.

A dividend of 1.80683p net is being paid for 1983 along with 4.31817p on account of 1979. Last year 3.003p was paid along with 0.629p on account of 1975 and 2.493p on account of 1977.

## Thorn-EMI (Aust.)

The recently-floated Thorn EMI (Australia) made a net operating profit of A$11.4m (£7.1m) in the year to March 31 1984, a rise of 13.1 per cent, and is paying a maiden interim dividend of 4 cents a share. Earnings per share rose from 23.5 cents to 26.6 cents.

The company is 75 per cent-owned by Thorn EMI of the UK, the entertainment, lighting and defence concern. Last month, the Australian offshoot floated 25 per cent of its issued capital on Australian stock exchanges in the form of 10.44m ordinary 50 cent shares at A$2.50 each.

## Cass up 20%

Pre-tax profits of Cass Group, telecommunications and leisure concern, increased by 20 per cent from £916,078 to £1.1m for the year ended December 31 1983 on turnover of £7.22m, against £5.73m, a rise of 26 per cent.

Earnings per 10p share of this USM company increased from 8p to 15.3p and the dividend is stepped up from a single 2.5p payment to 4.25p with a 3p final.











## Public Works Loan Board rates

Effective June 6

| Years | Quota loans repaid by EIP† | Quota loans repaid A‡ | Quota loans repaid at maturity§ | Non-quota loans A* repaid by EIP† | Non-quota loans A* repaid A‡ | Non-quota loans A* repaid at maturity§ |
|---|---|---|---|---|---|---|
| Three ............... | 11¾ | 11⅞ | 11⅞ | 12⅛ | 12⅛ | 12⅛ |
| Over 3, up to 4...... | 11½ | 11½ | 11¾ | 12⅛ | 12⅛ | 12⅛ |
| Over 4, up to 5...... | 11⅝ | 11⅝ | 11⅞ | 12⅛ | 12⅛ | 12⅛ |
| Over 5, up to 6...... | 11¾ | 11¾ | 12 | 12⅛ | 12⅛ | 12¼ |
| Over 6, up to 7...... | 11¾ | 11⅞ | 12⅛ | 12¼ | 12⅜ | 12¼ |
| Over 7, up to 8...... | 11⅞ | 11⅞ | 12⅛ | 12¼ | 12⅜ | 12¼ |
| Over 8, up to 9...... | 11⅞ | 12 | 12 | 12¼ | 12⅜ | 12¼ |
| Over 9, up to 10 ... | 11⅞ | 12⅛ | 11⅞ | 12¼ | 12⅜ | 12¼ |
| Over 10, up to 15... | 12⅛ | 11⅞ | 11⅞ | 12⅜ | 12⅛ | 11⅞ |
| Over 15, up to 25... | 11½ | 11½ | 11 | 12 | 11⅞ | 11⅝ |
| Over 25 .............. | 11¼ | 10⅞ | 10⅞ | 11⅞ | 11⅝ | 11⅝ |

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

# BIDS AND DEALS

## Yule Catto tops Finns with £24m revised bid

BY CHARLES BATCHELOR

**Yule Catto**, the industrial chemicals, plantations and building products group, yesterday increased the value of its bid for **Donald Macpherson Group**, the paint manufacturer, to £24.2m, topping the rival bid from **Tikkurila** of *Finland* by £1.6m.

Yule added £15 in cash to its previous offer of 34 of its own ordinary shares and 40 preference shares for every 100 Macpherson shares. The Macpherson share price rose 10p to 135p yesterday.

Yule valued its bid at £24.7m but a 9p fall in its ordinary share price to 202p yesterday trimmed the premium over the previous Tikkurila bid to only £1.6m. The Finnish paint group has offered 125p a share in cash.

Macpherson, best known for its Cover Plus range of paints, yesterday "noted" the revised Yule offer and said it would give a considered response as soon as possible.

Hambros Bank, which is advising Tikkurila, said a delegation from the Finnish group would fly to London for talks today to discuss their response to the higher bid.

Tikkurila has a 13.2 per cent stake in Macpherson, while Hambros said it had also received documents from holders of 3.6 per cent of the Macpherson shares withdrawing their acceptance of the previous Yule offer.

Henry Ansbacher, which is advising Yule, said Yule had acceptances of 11.41 per cent—though this did not include any withdrawals — and owned a further 100,000 shares taking its stake to 11.96 per cent.

Ansbacher took the unusual step of including a pre-tax profit forecast for Macpherson of at least £3m in the year ending October 28 1984—compared with £1.32m the year before—in its bid announcement. Macpherson has made no public forecast of this profit figure but had made a written record of approving such a forecast, Ansbacher said.

Hambros said: "It is extraordinary that they have made a profit forecast for Macpherson. It is a breach of confidence the like of which I have never seen.

Morgan Grenfell, which is advising Macpherson, said it had discussed the matter with the Takeover Panel.

## Henlys snubs Coleman's offer

BY ALEXANDER NICOLL

**Coleman Milne**, the Hawley Group associate which converts cars into limousines, yesterday took what appeared to be a step towards attempting to gain control over the garage group **Henlys.**

It disclosed that it had failed to win Henly's support for a possible 120p per share bid, and that it was now prepared to sell its 28 per cent stake to any party which won Henlys recommendation.

If no such party is found, Coleman will consider seeking board representation and management control at Henlys "in order to speed up the recovery and protect its investment." It is understood that if neither a sale nor management control are achieved Coleman will consider making a full bid for Henly.

Coleman, in which Mr Michael Ashcroft's Hawley Group and Mr David Wickins' British Car Auction Group have a combined 64 per cent holding, is itself the subject of an agreed bid from a Hawley Group investment subsidiary Midepsa.

Its approach to Henlys was made recently, but before Midepsa's bid was announced on May 29.

Henlys, noting Coleman Milne's announcement yesterday, said it "appears to contradict the statement made on May 31 that the board of Coleman Milne wished to retain its investment in Henlys and that this policy had the support of Hawley and BCA."

It said the earlier Coleman Milne approach to Henlys was conditional on the Henlys board's agreement to recommend a 120p per share bid and on the Bank of Scotland accepting the offer in respect of its 29 per cent holding in Henlys.

Coleman said yesterday that it plans to approach the Bank of Scotland to inquire about its position. If the Bank was prepared to sell to a third party who had Henlys support, "the way would therefore appear open to any third party to secure control of Henlys," Coleman said.

Bank of Scotland, which has one director on the Henlys board, made clear yesterday that it supported the board.

"We are prepared to consider any bid which is supported by the Henlys board," it said.

Henlys said it considered 120p to be an inadequate price and that it had been informed that the Bank of Scotland was of the same opinion. Yesterday, Henlys share price rose 2p to 120p while Coleman Milne was unchanged at 60p, the price of the cash alternative in Midepsa's offer.

Henlys has been the subject of takeover speculation for some time. The group has been making a loss, but last July Mr John Dowling was appointed chairman and has been pursuing a reorganisation.

The precise aim of Coleman's tactics was not clear yesterday, although it was made clear that the Hawley Group was not necessarily pulling out of Henlys.

It was believed in the Henly's camp that the Coleman move could be preparatory to a full bid, since if no third party came forward with a proposal acceptable to Henlys, Coleman Milne would be able to claim that the

## Continued speculation pushes up CU shares

THE SHARE price of Commercial Union Assurance again rose strongly yesterday on continued speculation that either the company was about to make an announcement concerning the sell-off of its U.S. operations or that the West German insurance group, Allianz Versicherung, was poised to make a bid for the company.

Denials from both Allianz, concerning bid intentions for CU, and statements from CU that nothing had been decided on its U.S. business did not deter trading in CU shares.

The price finished up 8p at 221p after reaching 223p, thus making a 28p rise (14.5 per cent) on the week so far.

The speculative activity also affected the other two bid favourites — Phoenix Assurance and Hogg Robinson — with market interest switching between the three stocks.

Phoenix's price finished 20p higher at 450p after reaching 453p on bid fever from Allianz, boosted by a purchase of a large block of shares. Hogg Robinson's share price rose 12p to 182p on bid speculations from a U.S. financial institution and was also boosted by a major share transaction.

## Second Far East venture by BOC

**BOC Group**, the industrial gases and health care company, has formed a joint venture with **Lien Hwa Industrial Corp**, the largest industrial gases company in Taiwan.

This is the second major investment that BOC has made in this region, which accounted for a quarter of its profits in the first half of this year. In 1982, it paid approximately £30m for a 43 per cent interest in Osaka Sanso Kogyo, one of the largest industrial gases businesses in Japan.

Lien Hwa is a locally listed company which also has interests in flour milling and shipbuilding. In 1983, its industrial gases business had sales of approximately U.S.$25m (£17.9m).

The agreement, which is still subject to formal approval by the Taiwan Government, involves BOC subscribing $35m in equity and loans, and Lien Hwa submitting its industrial gases business to the joint venture, which will be owned equally by both parties.

## Southend Stadium appoints new chief

**Southend Stadium**, in which **Yelverton Investments** has a large minority stake, has appointed Mr Colin Bray, a former Yelverton director, as its managing director.

Mr Bray has also bought 100,000 Southend shares from Yelverton for £55,000, or 55p each. He joins two representatives of Yelverton on the Southend board—Count Jan Badeni and Mr Peter Greaves. Yelverton (which has financiers Mr Jim Slater and Mr John Bentley among its shareholders), together with its associates held 1.525m Southend shares (29.9 per cent) before yesterday's announcement.

At its annual meeting, Southend directors will propose changes in its articles of association, including the cancellation of the present arrangement under which directors are paid a share of profits.

The shares were unchanged at 63p yesterday.

## BIDS AND DEALS IN BRIEF

**Temple Bar Investment Trust** has increased its holding in **Birmingham Mint** to 10.23 per cent of the issued ordinary share capital—209,000 ordinary.

* * *

On June 5, S. G. Warburg & Co, as an associate of **General Electric Co**, bought on behalf of discretionary investment clients 50,000 ordinary 5p shares of GEC at 181$\frac{15}{16}$p, 100,000 shares at 182p and 110,000 shares at 183p.

* * *

**Sedgwick Group** has reached an agreement in principle for the acquisition of **Matchgrange Holdings** for about £6.3m, satisfied by the allotment of 2,679,654 fully paid ordinary shares.

About 1,435,000 shares have been placed with institutional investors on behalf of certain shareholders in Matchgrange. As a result of the transaction, Sedgwick now owns the whole freehold interest in the Gardiners Corner development site on which the Sedgwick Centre is being constructed.

* * *

**Floyd Oil Participations'** offer to Occidental Petroleum (Caledonia) for a 0.5 per cent working interest in the Claymore Oil Field has been accepted.

The offer is subject to contract and inter alia, to the consents and approval of the other participants in the field and of the Energy Secretary.

The purchase consideration will amount to U.S.$6.3m (£4.5m).

The directors believe that the oil production income generated from the Claymore interest will form a base for the company's future development.

* * *

On June 5 S. G. Warburg and Co, as an associate of **Booker McConnell**, bought on behalf of discretionary investment clients, 250,000 ordinary 25p shares of Booker McConnell at 177p.

* * *

Hill Samuel yesterday placed £1.9m worth of new shares of **Barham Group**, formerly Dollond Photographic, at 300p each as part of the reorganisation and expansion of the company.

Dealings in the company's shares, which now number 1.7m, are due to resume on July 5. Barham's activities now comprise an estate agency, financial services, an advertising agency and a TV special effects company.

* * *

Seemala Corporation, a subsidiary of the Ivan F. Boesky Corporation, has acquired a further 800,000 ordinary shares in **Cambrian and General Securities** at 70p per share. Seemala now owns 1.25m ordinary shares and 4.13m capital shares. The purchase increases the beneficial interest of Ivan Boesky, controlling shareholder in the Ivan F. Boesky Corporation, to 2.53m ordinary and 9.39m capital shares.

* * *

**Thomas Jourdan**, the investment holding company long associated with Mary Quant fashion products, is negotiating to make a significant purchase of a private company. Although talks appear to have foundered chairman Mr Archie McNair said he is hopeful that the owner will agree to a sale.

"I don't think there is any problem over price, it is just that the owner is having last thoughts about selling his business. But we've spent seven months negotiating this and I am sure things can be sorted out. I would hope to make an announcement sometime next week."

The prospective purchase has not been named but is believed to fit in with Jourdan's existing activities.

* * *

The proposed merger of **Dawson International** and **J. E. Morgan Knitting Mills**, is not to be referred to the *Monopolies* Commission.

## DIVIDENDS ANNOUNCED

| | Current payment | Date of payment | Corre-sponding div. | Total for year | Total last year |
|---|---|---|---|---|---|
| Brownlee | 2.35 | July 14 | 2.87* | 3.5 | 2.87* |
| Canvermoor ........int. | 1.2‡ | — | 1.2 | — | 3.64 |
| Carr's Milling ........int. | 1.75 | July 13 | 1.75 | — | 5.5 |
| City of Dublin Bank int. | 0.96¶ | Aug 10 | 0.96 | — | 3.2 |
| Davenport Knitwear | 6.13 | — | 6.13 | 6.13‖ | 6.13** |
| Fleming American ...int. | 2 | Aug 6 | 2 | — | 4.25 |
| New Throgmorton 1983 | 1.25 | — | — | 2.25†† | — |
| Pegler-Hattersley | 8.5 | Aug 3 | 7.85 | 13.5 | 11.85 |
| Plysu | 1.9 | July 24 | 1.59* | 2.7 | 2.27* |
| Sketchley | 9.9† | July 25 | 8.4 | 14 | 12 |
| TR N. America | 2.4 | July 17 | 2.25 | 3.4 | 3.25* |

Dividends shown pence per share net except where otherwise stated. *Equivalent after allowing for scrip issue. †On capital increased by rights and/or acquisition issues. ‡USM stock. §Unquoted stock. ¶Irish pence. ‖Includes 1.81p on account of 1983 and 4.32p on account of 1979. **Includes 3p on account of 1982, 0.63p on account of 1975 and 2.49p on account of 1977. ††For 49 weeks.

## BASE LENDING RATES

| | | | |
|---|---|---|---|
| A.B.N. Bank | 9 % | C. Hoare & Co. † | 9 % |
| Allied Irish Bank | 9¼% | Hongkong & Shanghai | 9 % |
| Amro Bank | 9 % | Kingsnorth Trust Ltd | 10 % |
| Henry Ansbacher | 9¼% | Knowsley & Co. Ltd. | 9¼% |
| Associates Cap. Corp. | 9 % | Lloyds Bank | 9 % |
| Banco de Bilbao | 9¼% | Mallinhall Limited | 9 % |
| Bank Hapoalim BM | 9 % | Edward Manson & Co. | 10¼% |
| BCCI | 9¼% | Meghraj and Sons Ltd. | 9¼% |
| Bank of Ireland | 9¼% | Midland Bank | 9¼% |
| Bank of Cyprus | 9¼% | ■ Morgan Grenfell | 9 % |
| Bank of India | 9¼% | National Bk of Kuwait | 9 % |
| Bank of Scotland | 9¼% | National Girobank | 9 % |
| Banque Belge Ltd. | 9¼% | National Westminster | 9 % |
| Barclays Bank | 9¼% | Norwich Gen. Tst. | 9¼% |
| Beneficial Trust Ltd. | 10 % | People's Tst. & Sv. Ltd | 10 % |
| Bremar Holdings Ltd. | 9 % | R. Raphael & Sons | 9 % |
| Brit. Bank of Mid. East | 9 % | P. S. Refson & Co. | 9¼% |
| ■ Brown Shipley | 9¼% | Roxburghe Guarantee | 9¼% |
| CL Bank Nederland | 9 % | Royal Trust Co. Canada | 9¼% |
| Canada Permn't Trust | 9 % | ■ J Henry Schroder Wagg | 9 % |
| Castle Court Trust Ltd. | 9¼% | Standard Chartered ‖ | 9¼% |
| Cayzer Ltd. | 9¼% | Trade Dev. Bank | 9¼% |
| Cedar Holdings | 9 % | TCB | 9 % |
| ■ Charterhouse Japhet | 9¼% | Trustee Savings Bank | 9 % |
| Choulartons | 10¼% | United Bank of Kuwait | 9 % |
| Citibank NA | 9¼% | United Mizrahi Bank | 9 % |
| Citibank Savings ¶ | 9¼% | Volkskas Limited | 9¼% |
| Clydesdale Bank | 9¼% | Westpac Banking Corp | 9 % |
| C. F. Coates | 10¼% | Whiteaway Laidlaw | 9¼% |
| Comm. Bk. N. East | 9¼% | Williams & Glyn's | 9¼% |
| Consolidated Credits | 9¼% | Wintrust Secs. Ltd. | 9¼% |
| Co-operative Bank * | 9 % | Yorkshire Bank | 9 % |
| The Cyprus Popular Bk | 9¼% | | |
| Dunbar & Co. Ltd. | 9¼% | | |
| Duncan Lawrie | 9¼% | | |
| E. T. Trust | 9¼% | | |
| Exeter Trust Ltd. | 10¼% | | |
| First Nat. Fin. Corp. | 11 % | | |
| First Nat. Secs. Ltd. | 10 % | | |
| Robert Fraser | 10 % | | |
| Grindlays Bank ‡ | 9 % | | |
| ■ Guinness Mahon | 9 % | | |
| ■ Hambros Bank | 9¼% | | |
| Heritable & Gen Trust | 9¼% | | |
| ■ Hill Samuel § | 9¼% | | |

■ Member of the Accepting Houses Committee.
* 7-day deposits 5.75%. 1-month 6.50%. Fixed rate 12 months £2,500 8.5% £10,000. 12 months 8%.
† 7-day deposits on sums of under £10,000 6%. £10,000 up to £50,000 6¾%, £50,000 and over 7½%.
‡ Call deposits £1,000 and over 5¾%.
§ 21-day deposits over £1,000 7%.
‖ Demand deposits 5¾%.
¶ Mortgage base rate.

# MINING NEWS

## Cobra profits below target

BY GEORGE MILLING-STANLEY

PROFITS OF Cobra Emerald Mines for the year to the end of February have failed by a large margin to match the forecast made in the prospectus when the company came to the unlisted securities market a year ago.

Cobra, which owns the only significant emerald mine in South Africa, made a working profit of £530,852, with no tax charged. Revenue from emerald sales reached £1.84m, with production costs totalling £1.31m.

At the halfway stage, with pre-tax profits of £460,246, Cobra had seemed to be well on the way to achieving the £921,000 target from the prospectus, but changes in mining practices caused a steep downturn in the second half.

Production in the first six months came predominantly from the Cobra underground operation and the Discovery open pit, with smaller amounts of material from the Selati pit.

The management decided to convert Cobra to an open pit and expand Discovery, with the result that the bulk of production in the remainder of the year was drawn from Selati.

After a few weeks, however, it was discovered that the Selati stones, outwardly of similar qualities to those from the other operations, turned out when cut to contain heavy inclusions of schist and beralt, which sharply reduced their value. Production from Selati has now ceased, as Cobra was barely breaking even.

A limited amount of material is currently being extracted from Cobra and Discovery, but the operation will not return to full capacity for two or three months, when the development programme is completed.

Cobra said yesterday that this should enable better revenues to be achieved, but in the present situation it would be "imprudent" to consider the payment of a dividend until the development work is finished.

The shares, placed at 63p a year ago, have been over 100p, but closed last night unchanged on the previous day's level of 65p.

## First-quarter loss at Erickson Gold

THE COSTS of an extensive development programme at the gold mine near Cassiar, northern British Columbia, coupled with lower - than - average recovery grades, gave Canada's Erickson Gold Mines a loss for the three months to March 31.

The net loss for the quarter amounted to C$1.3m (£722,000), or 15 cents a share, compared with profits of C$2.3m, or 29 cents a share, in the first quarter of last year. Erickson said that the same factors will affect results for the second quarter as well.

The company added that the development programme is running within budget, and Erickson expects an improvement in ore grades and costs towards the middle of the year.

One hole of the development programme is reported to have intersected a zone more than 12 feet thick at an average grade of 0.646 ounces (20 grammes) of gold per ton, while the claims held adjacent to the mine include gravel deposits with the potential for placer gold.

Erickson has also announced an agreement with Agip Canada, the local arm of the Italian natural resources group, under which the Canadian company is to develop a gold prospect discovered by Agip near Mount Skukum, in the Yukon.

The deposit, which lies close to the Alaska Highway about 40 miles south of the town of Whitehorse, contains three mineralised zones. The drilling of one of these has delineated more than 165,000 tons of ore at an average grade of 0.73 ounces of gold and 0.63 oz of silver per ton.

The agreement provides for Agip to spend C$1m this year, mainly on examining the other two zones, while Erickson will drive an adit into the first zone at a cost of some C$2.5m.

When the results from these programmes have been assessed, Erickson may elect to bring the deposits into production at its own expense, earning a 45 per cent interest in the venture.

## MINING NEWS IN BRIEF

A MEETING to consider the proposed subdivision of the shares of South Africa's Hartebeestfontein gold mine in the Anglovaal group is to be held on Friday, July 13, in Johannesburg.

The circular giving details of the move says that this will improve the marketability of the shares, which are currently around £61¼.

Harties' present share capital of 11.2m shares of 100 cents nominal value will be subdivided into 112m shares with a nominal value of 10 cents each, with effect from July 30.

* * *

Australia's Southern Ventures gold and base metal exploration company plans to approach shareholders for approval of a placing of up to 6m shares to finance activities into 1985. The company says in an explanatory letter that its policy of generating exploration projects and then farming out interests to other companies has been "highly successful."

At present, a total of 15 such projects are being worked on, with more than A$850,000 (£530,000) expected to be spent on them over the next 12 months. Current joint venture partners include Broken Hill Proprietary at Ora Banda, Amoco at Yarri, and Pancontinental Mining at both Croydon, in Queensland, and Mulwarrie in Western Australia.

The meeting to consider the proposal will be held in Perth on June 14.

* * *

THE ALBERTA coal producer McIntyre Mines had net profits of C$5.1m (£2.8m) in the first three months of 1984, compared with a loss of C$700,000 a year ago and a loss for the whole of 1983 of C$3.6m.

The group said the two main reasons for the improvement were sharply reduced operating costs and higher shipments. Half of the tonnage contracted for by Japanese steelmakers for the full year was delivered during the opening three months.

# Sketchley at record £11m after strong U.S. advance

DESPITE A testing year in both the UK and the U.S., Sketchley, the industrial workwear rental, linen hire and dry cleaning group, achieved record sales and profits over the 52 weeks to end-March 1984.

Sales advanced by £17.5m to £101.23m and at the pre-tax level, profits reached £10.83m following a good performance in the U.S. This compares with a forecast of not less than £10.6m made at the time of the February rights issue and the £9.32m attained in the previous year.

On a 5p rise in earnings to 32.4p per 25p share the directors are lifting the final dividend to 9.9p to make a total of 14p net on the enlarged capital, an increase of 2p.

Mr Richard Newton, the chairman, tells shareholders that the UK dry cleaning division achieved record sales and profits of £35.86m and £4.49m respectively, compared with £31.75m and £3.9m a year ago. These figures include property profits which, in the past, were reported separately.

The UK rental sector achieved sales and operating profits of £23.97m and £4.51m, compared with £26.19m and £5.51m in 1982-83. Mr Newton explains that the fall in sales and profits was mainly attributable to the lower price structure now applicable to contracts with the National Coal Board and Ford Motor Company.

The company warned in February that the new contracts would have an adverse effect on second half profits (£5.12m, against £4.95m).

Rental activities in the U.S. produced sales and profits of £40.02m and £3.18m in the first full year as Sketchley Services.

The chairman sums up by saying the group has a strong balance sheet following the successful rights issue and adds that "it is sure to give a good account of itself in the year that lies ahead."

A divisional breakdown of group turnover and operating profits (£11.11m, against £9.22m) shows rental activities £64.16m (£47.23m) and £7.66m (£6.9m) and retail dry cleaning and associated activities £37.07m (£31.75m) and £4.47m (£3.9m). Last year textile activities, now discontinued, incurred losses of £770,000 on turnover of £4.75m.

A geographical analysis of sales and operating profits shows: UK £59.84m (£57.94m) and £9m (£9.41m), U.S. £40.02m (£21.04m) and £3.18m (£1.39m), West Germany £161,000 (nil) and £28,000 loss and Canada £1.21m (nil) and loss £18,000. Corporate expenses took £1.02m (£814,000), which included a provision of £272,000 (£443,000) for the UK employee profit sharing scheme. Depreciation accounted for £4.47m (£3.63m).

Pre-tax profits were arrived at after deducting interest charges of £281,000, compared with £100,000 credits.

Tax took £4.38m (£4.18m) to leave net profits £1.31m higher at £6.45m—last year's figure was subject to extraordinary debits of £878,000.

The acquisition of the Diaper Service division of Blessings Corporation was not completed until March and no sales or profits from this activity were recorded in the year. The net assets acquired, however, will be reflected in the group's balance sheet.

The acquisitions recently made in Germany and Canada are expected to make "worthwhile" contributions to profits in the current year.

Following changes in rates of capital allowances in the UK Finance Bill a deferred taxation provision has been reinstated in respect of tangible fixed assets. Previously, deferred tax was provided only in respect of circulating inventory.

An adjustment has been made to the opening provision for deferred tax to reflect all timing differences on capital allowances and to reflect the published changes in rates of tax. In order to present a "true and fair view" of the year's results this adjustment has been treated as a movement on reserves.

Current cost profits before tax totalled £9.91m (£8.16m) and earnings per ordinary were 27.8p (21.3p).

## ● comment

The brightest point in these results from Sketchley rights issue forecast in February is confirmation that its attack on the North American market, launched only in 1982, is already proving a success. Its move into U.S. rental business is certainly yielding more immediate returns than Johnson Group's similar step into U.S. dry cleaning. The current year should see a still larger return from the £25m invested in North American acquisitions—with full year contributions from Blessings purchase and the Canadian dry cleaning business. There is also the likelihood of further acquisition in North America and in West Germany, in view of the group's commitment to expand away from the cut-throat UK markets. How tight this is is shown by the 9 per cent fall in sales and 18 per cent drop in operating profits in UK rentals. The dry-cleaning side is better with a 15 per cent increase in operating profits, partly as a result of economic recovery but also because of the group's efforts to extract more from its shops by introducing among other things a shoe repair service. The group should beat £14m in the current year, putting the shares, unchanged at 370p, on an undemanding prospective p/e of 10, assuming a 40 per cent tax charge.

# Cash call by I & J Hyman to cut debt

A RIGHTS issue to raise £1.2m is being launched by foam manufacturer I & J. Hyman to cut its level of bank borrowings.

Shareholders are offered one new ordinary share for every three stock units at 19p each. In the market the price, which had been as high as 36p earlier this year was unchanged at 23p.

At the beginning of last month bank overdrafts and term loans amounted to just over £4¾m compared to shareholders' funds in the last accounts of £2.7m excluding £1.1m of goodwill.

Following last year's recovery, when Hyman staged a £1.32m turnround to profits of £891,000 before tax, the directors are predicting continued progress for the current year.

They are forecasting a dividend of not less than 1.4p per stock unit compared with a 0.5p payment last year. This will more than restore earlier dividend levels, representing a 12 per cent increase on the highest payout of the past decade.

On the trading front the directors say that much work has already been done in the development of new processes for foam products and while commercial success has been slower than anticipated, they look forward to an expanding contribution from that source.

The sale of licences for this technology is progressing satisfactorily on a world-wide basis and machinery has been sold in 20 locations including the U.S., Africa, the Middle East and New Zealand. The gradual build up of royalty income from these installations should provide a useful continuing source of income outside the influence of the UK economy.

The fast food activities have expanded quite rapidly largely as a result of the successful introduction of the products into many national retail outlets. The company is expanding into other outlets and adding on other products.

The issue has been underwritten by Robert Fleming and brokers to the issue are Fielding Newson-Smith. Dealings in the new shares (nil paid), will start on June 25.

# Brownlee rises to £2.7m but growth rate slackens

ALTHOUGH THE rate of progress experienced by Brownlee, Glasgow-based timber merchant, slackened after midway profits up from £0.77m to £1.46m, Mr J. F. McLelland, the chairman, still considers that his optimism last year was well founded.

The company has turned in taxable profits up from £1.52m to £2.69m for the 53 weeks to March 31. The comparable figures are for a 52-week period.

The proposed final dividend of 2.35p effectively raises the net total from 2.87p to 3.5p. Earnings per 25p share emerged at 9.9p against 6.6p.

Commenting on a "successful performance" the chairman reports a 19 per cent increase in turnover, up from £28.59m to £34.1m. Sales of builders merchant materials, kitchen units, windows and doors continued to increase vigorously, reflecting the importance of the home improvement market. Softwood, hardwood and sheet materials maintained their progress. The controversy regarding timber frame construction as a method of housebuilding had "no measurable effect" on the company.

Operating profit nearly doubled from £1.59m to £2.84m despite increased operating costs. Softwood margins improved, due in part to the incidence of stock profits, which were secured through the company's unwillingness to trade at "unrealistic" prices.

Interest charges increased from £67,000 to £149,000. The major reason for the increase in the tax bill to £1.12m (£0.47m) was that the deductions available to the company for stock relief and capital allowances did not rise in line with profits, the increase in which was taxed at the full rate of 50 per cent.

An extraordinary debit of £940,000 (nil) came as a result of the Budget proposals regarding deferred tax, and was offset to a certain extent by a £224,000 credit (debit £25,000). Net profit emerged at £860,000, down from £1.03m, of which £296,000 £568,000) was retained.

The construction industry continued to show reasonable progress throughout the year and private housing and house modernisation maintained their momentum.

Prospects for the current year have been affected by last winter's bad weather which halted much of the house building programme and reduced the level of business done at that time. It has not, however, influenced unduly the group's participation in the field of house modernisation, states the chairman.

Continuing restrictions on public sector spending and the introduction of VAT on repairs will have a depressing effect on the construction industry and cuts in home improvement grants will affect sales to this market. Private housebuilders are expressing hopes of a small increase in sales, especially by first-time buyers, helped by the easing of mortgage facilities.

Trading conditions become more and more competitive and the company will have to be increasingly efficient and tenacious to maintain its leading position in Scotland, he concludes.

## BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exhange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TODAY

Interims: Thomas French, Grootvlei Proprietary Mines, Habit Precision Engineering, Marievale Consolidated Mines, Nottingham Brick, St Helena Gold Mines, J. Smart (Contractors), Stilfontein Gold Mining, West Rand Consolidated Mines, John Williams of Cardiff.

Finals: Buffelsfontein Gold Mining, Century Oils, Churchbury Estates, Electronic Rentals, Elswick-Hopper, G.T. Global Recovery Investment Trust, Low Land, Lep Group, Property and Reversionary Investments, 600 Group, Trans-Natal Coal.

FUTURE DATES

| | |
|---|---|
| Interims— | |
| Baynes (Charles) | June 12 |
| Bett Brothers | July 10 |
| Cifer | June 13 |
| Horne (Robert) | June 20 |
| Microgen | June 12 |
| Scottish American Invest. | June 20 |
| Watson and Philip | June 19 |
| Finals— | |
| A and M Hire | June 12 |
| Baker Perkins | June 21 |
| Brown (N.) Investments | June 19 |
| Brown Shipley | June 14 |
| C H. Industrials | June 14 |
| Mountview Estates | June 13 |
| Staveley Industries | June 14 |

# City of Dublin Bank downturn to I£401,000

THE CHAIRMAN'S warning at the last annual meeting of a fall in interim profits of City of Dublin Bank has materialised in a reduction in pre-tax figures from I£547,000 to I£401,000 for the six months to March 31, 1984.

Mr Thomas Kenny, the chairman, reports that the contraction in business, reduced margins and increased operating costs arising from the moves of Irish Bank of Commerce, Anglo-Irish Bank and Waterford Penny Bank to new premises took their toll of profits. He says "we must invest in the future."

The chairman adds that the profit outlook, while not set fair because of the economic position of the country, justifies maintaining the interim dividend at 0.9625p net. Last year, a total of 3.2p was paid and taxable profits rose from I£921,000 to I£1.02m.

Earnings per 25p share for the half year dropped from 2.11p to 1.71p. Tax charge was £62,000 lower at £200,000 and after minority interests of £27,000 (£70,000) net available profits were down from £215,000 to £174,000. The interim dividend again absorbs £98,000.

Mr Kenny states that the bank's first new operating subsidiary in the UK, Industrial Funding Trust—purchased in February of this year—is earning profits. The development of IFT is a priority, he says, but the board is very pleased with progress to date. It will, however, be a little time before IFT profits match the cost to the bank of funding the purchase price.

At the end of March, deposits showed a further increase to £146.11m (£129.39m at September 30, 1983). Cash, or near-cash, assets of £63m were almost unchanged from six months earlier.

## Barlows falls

Taxable profits of Barlows, packaging and warehousing concern, declined from £99,451 to £43,310 in 1983, on lower turnover, excluding freight charges, of £537,545, against £664,900.

The dividend is reduced from 8.5p to 7.5p net per £1 share. Tax took £14,556 (£42,397) and earnings per share were down at 9.9p, compared with 19.7p before an extraordinary debit of £36,049 and 10.7p after.

# Expansion costs hit Canvermoor

THE COSTS associated with current expansion have held back pre-tax profits of Canvermoor to £108,000 in the six months to March 31 1984, against £112,000 last time. Turnover of this USM company, which makes draught carbonated soft drinks and cordials, rose by £0.48m to £1.66m.

The higher turnover resulted from the development of accounts secured by the Birmingham depot and the new Luton factory. But profits were pegged by the costs of setting up the Luton factory—incorporating the new Bulmer cider storage tanks and filling equipment, a major CO2 installation and sophisticated soft drinks plant.

These extra costs however, together with those of new depots at Tonbridge and Winchester, will not be repeated in the second six months. The board looks forward with confidence to a more buoyant second half, which covers the summer months and is traditionally more profitable.

Half-yearly earnings per 25p share slipped from 2.7p to 2.6p, while the interim dividend is unchanged at 1.2p net—Mr Tony Hemans, the chairman, has waived his rights to this payment in respect of 2.59m shares. Last year's final distribution was 2.44p.

First-half trading profits were ahead £31,000 at £152,000, after depreciation of £256,000 (£201,000). Net interest charges rose from £9,000 to £44,000, but no provision for tax has been made at this stage—the changes announced in the Budget will however, result in some provision at the year end.

The board reports that the new Luton factory is now supplying the whole of the south of England with its products and says the distribution advantages from this project will become increasingly apparent. Two new depots (at Winchester and Tonbridge) were opened and both are now trading satisfactorily.

# Favourable outlook at BHS

For the current year, the outlook for British Home Stores seems more favourable than for some time, says Sir Maurice Hodgson, the chairman. The company should benefit from a higher level of consumer demand, he tells members in his annual statement.

Any advance in sales should generate corresponding increases in both trading profits and net profits, says Sir Maurice, although the latter will be affected by some loss in interest due to the planned increase in the level of capital expenditure.

The capital spend for 1984-85 is planned at about £60m and this level is likely to be maintained in future years. In addition to the planned refurbishment of the whole chain, the company will be introducing more food halls, converting more restaurants to the new style and increasing the number of stores in the chain.

The chairman forecasts that the year should be one of progress

As already known, pre-tax profits for the year to March 31 1984 rose by 12.9 per cent from £48.87m to £55.19m, on turnover —including VAT—8.8 per cent higher at £546.85m, against £502.73m.

# TR North America asset value declines to 178p

THE NET asset value per 25p share at TR North America Investment Trust fell in the closing six months of the year to slightly below the level shown a year ago.

TR North started the year to March 31 1984 with an asset value of 178.5p and by midway it had pushed it up to 194.2p. However, in the second half the value fell by 16p to stand at 178.2p at the year end.

During the year the trust's resources were further deployed from UK equities to investment in the U.S. and Canada. At the year end the portfolio was invested 83.7 per cent in the U.S. and 9.7 per cent in Canada compared with 76.6 per cent and 5.9 per cent respectively a year previously.

The trust's investment policy remains one of investing principally in medium and small sized companies with good growth prospects.

Total income for the 12 months was £3.27m (£2.93m) and pre-tax profits emerged at £2.09m (£2.2m).

Tax took £957,000 (£927,000), after which earnings per share are shown as 3.46p (3.91p).

The dividend is being effectively increased from 3.25p to 3.4p by a final payment of 2.4p (2.25p). The directors expect to pay an interim dividend of 1p in respect of the current year.

# Yearlings total £12.1m

YEARLING BONDS totalling £12.05m at 10¼ per cent, redeemable on June 12 1985, have been issued this week by the following local authorities.

Hackney (London Borough of) £2.5m; St Helens Metropolitan Borough Council £0.5m; Tamworth (Borough of) £0.5m; Torfaen BC £0.5m; Hyndburn (Borough of) £0.3m; North Bedfordshire BC £0.5m; St Edmundsbury BC £0.5m; Chesterfield (Borough of) £0.5m; Fife Regional Council £1m; Copeland BC £0.5m; Redbridge (London Borough of) £1m; Dudley MBC £1m; Hereford City Council £0.5m; Preseli District Council £0.5m; Aberdeen (City of) DC £1m; Northampton BC £0.75m.

Bonds totalling £0.75m at 11¼ per cent for redemption on December 4 1985 have been issued by Basingstoke and Deane BC £0.25m and Adur DC £0.5m.

# JOBS COLUMN

# Fast growing hunger for computer skills

BY MICHAEL DIXON

ALMOST every day somebody takes the Jobs Column to task for neglecting this, that or the other particular aspect of the executive employment market. In recent months more and more of those communications have been demanding when I was going to start giving pay indicators for computer managers.

The answer—as a glance to the right *will confirm*—is "now." The table comes by courtesy of Computer Economics which makes regular *surveys of* the pay and perks prevailing among the range of staff who apparently refer to themselves as "liveware." Since I can give only a tiny extract from the latest survey, covering 32,000 people in 520 organisations in the UK as at April 1, readers wishing to know more should contact Peter Stevens at 51, Portland Road, Kingston upon Thames, Surrey KT1 2SH; telephone 01-549 8726.

| Category of job | Lower quartile £ | Median £ | Upper quartile £ | Average £ | Rise on average over year % | With car % 84 | (83) |
|---|---|---|---|---|---|---|---|
| Data processing manager | 18,609 | 22,000 | 26,000 | 22,837 | 8.7 | 84 | (80) |
| Systems development manager | 17,275 | 19,480 | 22,000 | 19,916 | 8.9 | 75 | (68) |
| Computer services manager | 16,100 | 18,519 | 21,264 | 19,022 | 7.1 | 67 | (63) |
| *Systems manager* | 16,002 | 17,660 | 19,250 | 18,002 | 9.8 | 61 | (52) |
| Programming manager | 14,700 | 16,442 | 18,213 | 16,708 | 8.5 | 33 | (42) |
| Systems and programming manager | 15,225 | 17,000 | 19,446 | 17,513 | 8.7 | 44 | (40) |
| Operations manager | 13,251 | 15,219 | 17,360 | 15,863 | 8.3 | 37 | (35) |
| Technical support manager | 15,075 | 16,604 | 13,483 | 17,028 | 7.7 | 46 | (42) |
| Regional variations % | | | | | | | |
| Inner London | +12.7 | +13.4 | +14.1 | +12.5 | — | — | — |
| Outer London | + 1.3 | − 0.1 | − 1.6 | − 1.0 | — | — | — |
| Rest of UK | − 5.3 | − 4.8 | − 4.2 | − 5.5 | — | — | — |

My indicators are confined to the eight kinds of staff whom Computer Economics includes in its management group. The *money figures cover* bonuses received in cash as well as salaries. The lower quartile represents the pay of the person who would come a quarter way up from the bottom in a ranking by pay of all in the same job category. The median refers to the person in the middle of the ranking, and the upper quartile to the one a quarter way down from the top.

The table also gives the average pay among the staff in each category, the increase on the average since the corresponding survey as at April 1, *1983, and the proportion of* people in each case whose perks include a car.

Computer managers' pay *seems to be affected* considerably by whereabouts they are employed, especially inner London. So at the bottom of the table, below the all-inclusive UK figures for each of the eight kinds of staff, I've added rough indicators of the pay premiums or the opposite prevailing respectively in *inner and outer* London and in the rest of the country as a whole.

Readers as long in the tooth *as I am, if any, may remember* the days when big organisations tended to keep their computer and its priestly attendants prominently on display in a big glass-walled compound.

On asking why, I was once told that the aim was not to *impress* outsiders with the company's technological sophistication. The reason was that if the electronics eggheads were *not kept* continuously under surveillance, the next time senior management checked half of them had slipped off to work for somebody else.

While today's demand for their services is short of the voraciousness of the mid-1960s, Mr Stevens tells me that it seems to be growing hungrier week by week. Among systems analysts the rate of voluntary company-changes has risen from *11 to 14 per cent over the past* 12 months, and among systems programmers it has increased from 10 to 15 per cent since November 1982.

He also says that while pay in line with the indicators given here may be enough to retain *computer managers in their* present organisation, it will probably not be enough to lure them into a new company from elsewhere.

## Finance chief

A FINANCE director is sought by David Thompson of the Odgers consultancy. The recruit will work mainly in the Midlands with a publicly quoted British industrial group which although medium in size has considerable interests overseas.

Mr Thompson may not dis*close its name.* So like the *other* headhunter to be mentioned next, he promises to abide by any applicant's request not to be identified to the employer at this stage

The new director will be responsible for all aspects of financial management throughout the group, with a small supporting group at headquarters and functional control of finance staff in the operating divisions and subsidiaries.

Applicants should be qualified accountants who have already headed the financial management of a publicly quoted industrial company, preferably familiar with a variety of different industries.

The salary indicator is quoted as around *£40,000 to £50,000.*

Inquiries to Mr Thompson at Odgers, 1 Old Bond Street, London W1X 3TD; tel 01-499 8811, telex 8954989.

## Two M.D.s

*NEXT come two managing* directors' jobs being offered through recruiter Dirk Degenhart.

The first is in North-East England at the head of a subsidiary of an American multinational. It manufactures such things as solenoids, brakes, *clutches and photoelectric* devices. Its principal markets are in business machines, domestic appliances, and printing and automotive equipment.

Candidates must be demonstrably capable general managers with a commercial outlook and preferably experienced in marketing.

Salary about £30,000. Perks include car.

The other managing director sought by Mr Degenhart will work from the West Country leading a British group's subsidiary expected to expand its business in polythene extrusion and paper packages for sale to retailing concerns and elsewhere.

Candidates need production *experience in a comfortable* field as well as success in running a profitable operation.

Salary £24,000 plus car.

Inquiries to 4 Priory Gardens, London W4 1TT; tel 01-994 2157 or 7620.

## Open house

PRICE WATERHOUSE'S management consultancy arm, merging with Urwick Orr, wants 27- to 33-year-olds who've done well as managers after qualifying as accountants to join its financial-management consultancy team at salaries up to £23,000.

It is to hold open evenings at its London offices from 6 to 8 pm on June 20 and 21 so that *interested people can learn* more about the work. Inquiries to Miss Alannah Hunt, 32 London Bridge St., London SE1 9SY; tel 01-407 8989.

# International Corporate Finance

## North America

**Later 20's** **to £35,000 + car, etc.**

Our client is a leading Accepting House with a strong and expanding presence in North America.

It has retained us to recruit, into the Corporate Finance Division in London, an executive who is familiar with the international Capital Markets and is keen to use his or her own initiative to develop further contacts and business in the USA and Canada.

Ideal candidates will be in their later 20's, currently working with a merchant or investment bank, and preferably specialising in either buying or marketing.

A willingness to travel to the region is important, as is the ability to work independently.

Formal job title and detailed terms, which will include a basic salary of up to £35,000 and a comprehensive range of benefits, will be structured to meet the specific needs of the successful candidate.

Please send a detailed c.v., including contact telephone numbers, to Peter Wilson, FCA at Management Appointments Ltd. (Recruitment Consultants), Finland House, 56 Haymarket, London SW1Y 4RN Tel: (01) 930 6314

**Management Appointments Limited**

---

## FOREX APPOINTMENTS

For Forex/LIFFE/Money Market *appointments at all levels* discuss your needs, at no cost, with a specialist

TERENCE STEPHENSON
Prince Rupert House
9–10 College Hill
London EC4R 1AS
Tel: 01-248 0263

*20 years market experience*

---

**BANKS AND FINANCE HOUSES**

For FX and MM personnel come to the market's oldest professional:

Geof Field, Wardrobe Chambers
146A Queen Victoria Street
EC4V 5AP. 01-236 4568

---

**MULTI-FACETED PRIVATELY-HELD FINANCIAL SERVICES GROUP**

Requires an additional lawyer with a solid international background and a high degree of personal flexibility to work in a relatively unstructured environment. Experience with British, U.S. and European legal systems preferred. Must be available for extensive international travel, often on short notice, and possible relocation abroad. Salary negotiable according to experience.

Reply with comprehensive CV to:
*Box A8622, Financial Times*
*10 Cannon Street, London EC4P 4BY*

---

# Eurobond Sales

The expansion of our international sales and trading activities in international fixed interest securities now calls for the appointment of a Eurobond Salesman. He/she will join our London sales team servicing institutional clients in Europe, North America and the Far East in US dollar Eurobonds, US Treasury Securities and other Euro-currency bonds.

Applicants should have several years' experience in the Eurobond market. Knowledge of convertible bonds and other equity related securities would be an advantage.

An attractive salary will be offered, together with a benefit package that includes a subsidised mortgage, BUPA, non-contributory pension and free life assurance.

Suitably qualified applicants should write enclosing a full curriculum vitae to:–

Gareth Hughes, Personnel Officer, Kleinwort, Benson Limited, 20 Fenchurch Street, London EC3P 3DB.

**Kleinwort Benson** *The International Merchant Bank*

---

*Computer Information Systems*

# *Director European Business Development*

To people closely involved in the computer industry, the name *VIENNA* will have a special significance and Northern Telecom Data Systems will suggest leading edge computer technology linked to telecoms expertise. *VIENNA* is the exciting new product family developed and manufactured at our European Headquarters in Hemel Hempstead and launched in March '84.

Providing the latest in microprocessing technology, with a unique combination of features, *VIENNA* offers complete solutions to today's and tomorrow's business information requirements.

Already making an impact in nine European countries, we aim to build quickly on its early success and the appointment of a European Business Development Director is seen as an immediate contribution to its undoubted longer term success.

Reporting to the Vice President Europe, and operating from a central London base and a European Headquarters in Hemel Hempstead, the successful candidate will assume a major responsibility for formulating and monitoring long-term business plans. Initially you will identify and evaluate marketing opportunities, negotiate supply and representation agreements and co-ordinate, within agreed corporate objectives, the overall policy on European planning and development.

This challenging, but highly satisfying marketing arena demands many unique personal skills, the foremost being a highly creative and clear-thinking approach. Your in-depth knowledge and experience of the computer industry will be allied to several years spent in a market development role.

Probably in your early 30's to mid 40's, an MBA or Degree in a numerate discipline is preferred. We would hope for international experience in sales, marketing and financial operations and desirably a second European language capability.

Reflecting the importance of this appointment, we anticipate a minimum salary of £20,000 supported by the terms and conditions of employment associated with an international group, including executive car, pension plan and generous relocation assistance.

Please contact David Hutton,
Director Human Resources Europe,
requesting a personal history form on
Hemel (0442) 41141
or write to him with your CV at
Northern Telecom
Data Systems Limited,
Maylands Avenue,
Hemel Hempstead,
Herts HP2 7LD.

**nt northern telecom**

*Where computers and communications meet.*

---

# International Fixed Interest Manager

We have an exceptional performance record in the management of international fixed interest securities.

A vacancy has arisen for an additional manager to join our team in the London headquarters of a leading international bank.

You will probably have a background in the gilt edged or other domestic markets, or perhaps in foreign exchange. Our investment approach is less than conventional and your training is unlikely to have been in the Eurobond markets.

The position carries an attractive salary and the fringe benefits you would expect from a leading international bank. The group operates with a high degree of autonomy and your career development will reflect directly your own efforts, and the continuing success of the group.

Candidates should apply in writing with a detailed cv, to PO Box A8619, Financial Times, 10 Cannon Street, London EC4P 4BY.

---

# *Stores Director*

This is a board appointment with a nationally known specialist retailer deploying 1,400 people in over 60 locations.

- RESPONSIBILITY is for day to day management and motivation in addition to the development of strategy.
- THE PRIME TASK is to continue the policy of stores improvement and also direct growth towards doubling the number of existing retail outlets within the next five years.
- THE REQUIREMENT is for an outstanding record of sales development and multiple store management. A familiarity with fast expansion is essential.
- SALARY is unlikely to be less than £30,000 and the preferred age is around 40. Location Midlands.

Write in complete confidence
to N. C. Humphreys as adviser to the company.

**TYZACK & PARTNERS LTD**
SEARCH & SELECTION
10 HALLAM STREET • LONDON W1N 6DJ

---

# FINANCIAL ANALYST

## c. £14,000 + car

### For the market leader in personal productivity software

LOTUS DEVELOPMENT CORPORATION is the world's foremost applications software development company with its revolutionary LOTUS 1-2-3 and the newly announced SYMPHONY multi-dimensional business tool.

*The establishment of the U.K. operation in* Windsor heralds a major thrust to exploit the technology and the marketing skills which have generated revenue of $53 million in the first year alone.

To complete our Financial team we need a young Financial Analyst who is ready to accept wider responsibilities in addition to financial planning and forecasting.

With an accountancy qualification and preferably a degree, you will have spent about two years as an analyst in a fast moving environment. You will be comfortable using spreadsheets on P.C.'s or micros and will be able to demonstrate the practical value of your work.

Reporting to the Financial Director your job will bring you into direct contact with Sales and Marketing as well as some involvement with importers and distributors.

The position offers tremendous scope for career advancement with a salary of c.£14,000, plus an excellent benefits package including company car, BUPA and life assurance.

Please send your full career details and daytime 'phone no. to David Konrath, the consultant who is advising.

LOTUS DEVELOPMENT (UK) LIMITED,
Consort House, Victoria Street, Windsor, Berks. 102.

**Lotus**

---

# DP Manager

**to create and develop a new central DEC-based computing facility**

**c£20,000**

The formation of a central facility to cater for the substantial IT and other needs of the English Tourist Board and the British Tourist Authority, has created a new senior appointment for a computer management professional.

Joining the operation at this critical development stage, your broad-based brief will include:

* advising on the formulation and implementation of a new computing strategy * the integration of all applications including the two Boards' major tourist information databases from a mix of DEC, Data General and ABS Multibus computers to one DEC-based system * the recruitment of your computer team * the initiation, planning and project management of all future hardware, software and systems developments * and the provision of a consultancy service to end-users such as Regional Tourist Boards and BTA Overseas Offices.

The new DP department will have an influence on Britain's ability to continue to compete successfully in international tourism markets. Already in your mid-30's you will have achieved professional recognition for the quality of your expertise, as much for your ability to lead, guide and motivate a team as for your high level of technical knowledge of DEC-based or related minicomputer systems.

For a detailed job description and application form, please contact Christine Addison, Personnel Manager, English Tourist Board, 4 Grosvenor Gardens, Victoria, London SW1. Tel: 01-730 3400 ext 312.
Closing date for receipt of applications 20 June 1984.

**English Tourist Board**

---

# FOREIGN EXCHANGE DEALERS

Manufacturers Hanover is one of America's leading banks with a network of offices world wide. We offer outstanding opportunities for intelligent, enthusiastic people with the will to succeed in the competitive world of international banking.

We have modern offices in the City, Stratford E15 and the West End and are always interested to hear from experienced high calibre banking staff looking to further their careers.

We are currently seeking 2 Foreign Exchange Dealers for our offices in:–

**7 Princes Street, London EC2**

3-4 years' experience in the Interbank market handling major spot currencies.

Both these positions are open to *men and women and offer job security* in an environment providing excellent career development, a policy of internal promotion whenever possible and growth potential. Attractive salaries are based on ability and experience and we offer a first class benefits package.

Applicants should send full details of age, education, experience and current remuneration to:

**Mr. Ian T. Dodd, Manager Personnel**
**Manufacturers Hanover Trust Company,**
**1 Gerry Raffles Square, Stratford, London E15 1XG.**
***Telephone: 01-555 3299***

**MANUFACTURERS HANOVER TRUST COMPANY**

---

**"There's nothing here for me"** **"Phone InterExec"**

With access to over 100 unadvertised senior vacancies a week—*InterExec* guarantees to help you do something constructive about your future career. Quickly. Effectively.

InterExec is the only organisation specialising in the confidential promotion of Senior Executives.

For a mutually exploratory meeting, call us right away.

**InterExec**

**The one who stands out**

| | | |
|---|---|---|
| London | 01-930 5041/8 | 19 Charing Cross Rd, W.C.2. |
| Birmingham | 021-632 5648 | The Rotunda, New St. |
| Bristol | 0272 277315 | 30 Baldwin St. |
| Edinburgh | 031-225 5680 | 47a George St. |
| Leeds | 0532 450243 | 12 St. Paul's St. |
| Manchester | 061-236 8409 | Faulkner Hse., Faulkner St. |

---

# *Pensions Manager*

***London*** ***up to £20,000+car***

Price Waterhouse is a major firm of Chartered Accountants with a worldwide network of offices. The firm wishes to appoint an experienced pension fund administrator to the position of manager of the UK Pension Fund.

In addition to ensuring the overall fund management and administration, the successful candidate will be required to coordinate investment policy, advise and assist the Trustees and provide information and guidance to the firm's offices throughout the UK. With a fund valued at more than £47 million and over 3,900 members, the Price Waterhouse Pension Scheme requires of its manager a significant depth and breadth of fund management experience.

Applicants should hold an appropriate professional qualification and are likely to be *aged between 35 and 50. The ideal candidate should have had pension scheme* management experience with a major employer in either industry or commerce. Particular expertise with computerised systems will be sought and some involvement with pre retirement training and subsequent pensioner liaison will be an advantage.

In addition to a salary at the level indicated, the position carries a company car and the other benefits that might be expected from a professional organisation. Assistance with relocation will be available if required.

Please apply, in confidence, with full details of your career to date to Barrie A Whitaker, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 9ST.
*Please quote reference MCS/5006A.*

**Price Waterhouse** Associates

# CSFB Investment Management

## Fund Manager

An additional executive is required to join the rapidly expanding team dealing with Credit Suisse First Boston's investment management activities, which currently concentrate on institutional fixed income accounts. Candidates, who will be aged 25-32, should be educated to degree level and have several years' experience in fixed income securities analysis/fund management. The candidate will be expected to handle substantial discretionary accounts. A working knowledge of German would be helpful.

An attractive remuneration package will be offered, including generous banking fringe benefits.

All applications should be addressed to:-
Dr. M.J. Adami, Managing Director, CSFB Investment Management Ltd.,
22 Bishopsgate, London EC2N 4BQ.

CSFB

---

**David Grove Associates**
Bank Executive Recruitment
60 Cheapside London EC2V 6AX Telephone 01-248 1858

## BANKING & INVESTMENT VACANCIES

**SENIOR STOCKBROKER £ Negot.**

A well capitalised, rapidly developing London based securities house with considerable existing involvement in Bonds and U.S. Equities seeks to further extend its range of services. To achieve this a Senior Stockbroker, aged around 40, is sought to set up a new operation based around the Foreign and U.K. Securities markets. Candidates will offer extensive exposure and experience in these areas with particular emphasis on Institutional and Investment sales. The prime function will be to establish and build a successful team capable of developing a significant presence in these marketplaces.

**UK MARKETING OFFICER c£18,000**

We are currently seeking a U.K. Marketing Officer on behalf of a well established European Bank. Candidates should be skilled in all aspects of commercial banking and able to demonstrate a successful record in the sphere of U.K. business development. Degree or AIB qualification plus a working knowledge of French required.

**GRADUATE — CREDIT ANALYST £11,000**

City based bank seeks an honours graduate with some banking experience for a training in Credit Analysis. There is potential for future career development for a candidate with good social skills and knowledge of a European language.

**EUROBOND SALES to £60,000+**

*A leading Investment Bank seeks a London Institutional salesperson* to strengthen its existing team. The successful person will have current exposure to the London Institutional market gained over several years. Excellent benefits.

**FRN SALES £20,000+**

A well established Investment Bank seeks a 'floater' sales person/trader. Candidates should ideally have 1/2 years experience in FRN sales with the capability to develop their business base.

**JUNIOR BOND SALES c£12,500**

A junior bond salesperson/trader/dealer is sought with around 12/18 months experience within a Banking or Broking environment. Age early/mid 20's and possibly a graduate, the successful candidate will be seeking an opportunity for career development with a key London Investment Banking institution.

**BOND SALES TRAINEES £ Negot.**

An important London market maker offers a unique opportunity to be trained for a successful career in Eurobond sales. Preference will be given to applicants with a degree in Economics or Business Studies and fluency in a European or Scandinavian language or Japanese.

PLEASE CONTACT NORMA GIVEN OR BRYAN SALES ON 01-248 1858

---

# Set up our Equities Team

Already prominent in London and world financial centres the aim of this Scandinavian institution is to move swiftly from issuing house to merchant banking activities. The present requirement is for two equity traders to spearhead the development of markets worldwide including arbitrage dealing; to service existing clients and to attract new ones; and to derive maximum benefit from movement in selected international stocks and shares.

Aged about 30 you must have a minimum three years trading and back office experience in international equities. You are currently re-assessing your future and may be with a stockbroker, merchant or foreign bank. You fit comfortably into an informal but disciplined environment. Our client is prepared to accept a team.

Excellent banking benefits are part of a generous remuneration package which includes a good negotiable salary.

If interested please telephone or write (quoting ref: 7216) to Derek Cox of Cripps, Sears & Assoc., Ltd., (Personnel Management Consultants), 88-89 High Holborn, London WC1V 6LH. Telephone 01-404 5701.

**Cripps, Sears**

---

# MANAGER FINANCE AND ADMINISTRATION

## LIFE ASSURANCE

**CROYDON c. £20,000 + Car**

A Company which quadruples its turnover in four years experiences unusually challenging growth related problems. A branch office of a major U.S. Insurance Group. It markets and sells a full range of financial service products to both consumers and corporate clients. It is on target for a turnover of £30 million plus in 1984. We seek a self-motivated, results-orientated Manager with Life Assurance administration and EDP experience for our client.

This new appointment takes full responsibility for setting up and running effective financial control, EDP and administration functions. Working closely with the Sales and Marketing teams, the priority is to introduce fast, accurate and readily understood management information to enable them to respond positively to changing markets. Beyond this the role demands continuing participation in the general management decision making process to include the assessment of expansion opportunities.

Candidates, male or female, will be qualified by degree and/or membership of a relevant professional body and be 35+ years of age. You should have a broad commercial background preferably in insurance/financial products industries. This should cover man-management, financial analysis, budgeting, EDP and exposure to *mechanised administration systems.* A record of success in a rapid growth marketing-led company is desirable. You should be stimulated by change, an innovator, and have the maturity, strength and communications skills to influence both financial and non-financial personnel.

Applications in confidence to Eric Houghton as adviser to the Company.

**Houghton Sanderson Associates Ltd**
Executive Search and Recruitment Consultants
Peek House, 20 Eastcheap, London EC3M 1AN Telephone: 01-623 7363.

---

# *Top Executives*

***earning over £20,000 a year***

Can you afford to waste nearly £2,000 a month in delay? Minster Executive specialises in solving the career problems of top executives. The Minster programme, tailored to your individual needs and managed by two or more partners, is your most effective route to those better offers, 75% of which are never advertised.

Our clients have an impressive record of success; many blue chip companies retain our services in the redeployment of their top people.

Telephone or write for a preliminary discussion without obligation—or cost.

**MINSTER EXECUTIVE LTD**
**28 Bolton Street, London W1Y 8HB. Tel: 01-493 1309 / 1085**

---

# Corporate Finance Professionals

## Major International Bank

Our client, a major international corporate bank, has established an outstanding reputation for its services.

Current expansion of the corporate finance function has resulted in the need for more professionals who can develop, sell and execute original transaction proposals for present and prospective clients. You will advise on non-capital market corporate finance issues:

- **company re-organisations**
- **recommendations on optimal capital structure**
- **analysis of strategic alternatives**
- **evaluation of companies for mergers, acquisitions and divestitures**
- **and assistance in negotiations.**

You must be energetic and creative, able to work under pressure and deal with clients at the most senior level. We expect a background of at least 4-6 years' experience in the corporate finance or research department of a stockbroker, accepting house or consulting firm. Language skills and knowledge of the UK equity market will be strong advantages.

In addition to an excellent salary, the substantial benefits package will reflect the importance of the positions.

In the first instance please forward a detailed c.v. to Ian Lovatt, Moxon Dolphin & Kerby Ltd., 178-202 Great Portland Street, London W1N 5TB, quoting ref: FT/4143/IL. Please state in a covering letter any companies to whom your application should not be sent.

MOXON DOLPHIN & KERBY LTD

---

# Business Development Manager

## UK Fund Management

A major international bank is developing a performance-based fund management service for UK pension funds.

We wish to appoint an executive to expand the marketing and presentation of this service.

The right candidate will be educated and trained in investment questions, and able to represent the unit to consultants and sponsors with appropriate authority and understanding.

We are looking for a sophisticated understanding of fund management, not necessarily extensive experience.

The position carries an attractive salary and the fringe benefits you would expect from a leading international bank.

The group operates with a high degree of autonomy and career development will reflect directly your own efforts, and the continuing success of the group.

Candidates should apply in writing with a detailed cv. to PO Box A8621, Financial Times, 10 Cannon Street, London EC4P 4BY.

---

**CJA RECRUITMENT CONSULTANTS**
35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374

Opportunity to head up Eurobond Sales operations.

# EUROBOND SALES EXECUTIVE

**CITY £40,000-£50,000+CAR**

RAPIDLY EXPANDING MERCHANT BANKING SUBSIDIARY OF MAJOR INTERNATIONAL BANK

We invite applications from candidates, aged 30-38, with not less than 5 years in the placement of Eurobond issues in Middle East, principal European and North American capital markets. Good spoken French and/or German is essential and experience of other capital markets will be an added advantage. Reporting to the Managing Director, the successful candidate, in control of a growing team, will be responsible for very substantial annual Eurobond sales. The ability to further develop existing relationships and to expand the international client base is necessary, making use of existing personal client contacts. Essential qualities must include both management skills and a capacity to identify and exploit market opportunities. Initial salary negotiable £40,000-£50,000, car, non-contributory pension, free life assurance, family medical insurance, subsidised mortgage facility, relocation expenses if necessary. Applications in strict confidence under reference ESE4270/FT to the Managing Director:

CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED,
*35 NEW BROAD STREET, LONDON EC2M 1NH. TELEPHONE: 01-588 3588 or 01-588 3576. TELEX: 887374. FAX: 01-638 9216.*

---

**de Zoete & Bevan**

# PORTFOLIO MANAGER

We are seeking a Portfolio Manager with several years' experience managing Private Client Accounts and Trust Funds on both a Discretionary and Non-Discretionary basis.

Candidates who should be aged 25–35 must be able to express views concisely, both verbally and in writing, and it is expected that their career to date will demonstrate the necessary level of drive and initiative. A specialist knowledge of taxation and/or financial planning would be an added advantage.

Applications, enclosing a brief c.v. which will be treated in confidence, should be sent to:

C.M. Brown, de Zoete & Bevan,
25 Finsbury Circus, London EC2M 7EE.

---

**TOP EXECUTIVE APPOINTMENTS**
from £17,000 to £70,000

As the leaders in the field of executive job search, we specialise in identifying appointments in the unadvertised vacancy areas.

Selected high calibre executives are offered our unique success-related fee structure.

Contact us today for a free confidential assessment meeting. (24 hour answering service).

*Connaught*
Executive Management Services Limited
73 Grosvenor Street, London W1. 01-493 8504

---

**InterFirst**

We have two positions available in our London Branch Dealing Room. Candidates will be expected to be self-motivating and able to develop business through their own initiative.

The first is for a Spot Foreign Exchange Dealer, with a minimum of three years' experience in an active trading environment. Experience in the running of Forward Positions would be beneficial. Minimum age 24.

Our other vacancy is to assist in the servicing of our current corporate clientele as well as the development of new relationships in Treasury-related areas. Ideally, applicants will be graduates, with a strong financial background in a banking/broking organisation.

Both vacancies carry salaries commensurate with the market and the usual banking sector benefits will apply.

*Please write giving full details of career and education to:*
**Maureen E. Cooling**
**InterFirst Bank Dallas N.A.**
**16 St. Helen's Place**
**London EC3A 6BY**

---

# Phillips & Drew

Phillips & Drew require an Assistant Desk Dealer for the International Department of the firm. Experience in North American and/or Japanese markets and foreign exchange business would be an advantage.

*Please apply to:*

**Miss Deborah Harman, Phillips & Drew,**
**120 Moorgate, London EC2M 6XP**

Union Bank of Switzerland

## UNION BANK OF SWITZERLAND (SECURITIES) LTD

Union Bank of Switzerland (Securities) Ltd is substantially expanding its operations and wishes to recruit a limited number of qualified individuals with practical experience in the International Capital Markets. The successful candidates will probably be in their late 20's or early 30's and be working in an active merchant or investment bank or on capital market transactions in the legal profession. A business degree or professional qualification plus command of German or French would be desirable.

Please reply in confidence to the firm's professional advisors:

Wrightson Wood
11 Grosvenor Place
London SW1X 7HH

---

KLEINWORT, BENSON LIMITED

## Account Executives

### US BANKING

Kleinwort Benson is seeking two highly motivated account executives to join its rapidly expanding North American banking team. Initially based in London, they will be involved in the assessment and execution of a wide variety of new business opportunities as well as having active responsibility for client contact and maintenance of new and existing accounts. Good opportunities exist for eventual posting to the group's offices in the United States.

Aged around 25, candidates will have an excellent educational background and at least two years' experience in this area. They should be able to demonstrate a developed commercial sense and the ability to assimilate and present varied and often complex ideas.

These positions offer excellent career opportunities and a remuneration package which includes all usual banking benefits.

Please write in confidence with full details to R. H. White at:

DAVID SHEPPARD & PARTNERS LTD.
21 Cleveland Place,
London SW1Y 6RL Tel: 01-930 8786

*All positions advertised by David Sheppard & Partners Ltd. Executive Search Consultants, are open to both men and women.*

---

# Hoggett Bowers

*Executive Search and Selection Consultants*

*BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD*

## *Managing Director*

***Consumer Products***
***Yorkshire, c.£40,000***

The Company manufactures and supplies a range of fast moving products to the grocery multiple and retail trade, has an excellent record of growth in sales and profitability and is a subsidiary of one of the UK's largest groups. Responsibility is for the overall direction and control of the business and its financial growth in sales, profit and return on investment. The position, a demanding one, will appeal to candidates aged 35 to 50 with strong leadership qualities, able to motivate a young and successful management team, preferably with a sales and marketing bias and a demonstrable record of profit achievement at senior management level. Under no circumstances will a candidate's name be divulged to the Client without prior permission.

Male or female candidates should telephone in confidence for a Personal History Form or send a written or typed CV to B.F. *Hoggett. Ref: 10420/FT.* 0532-448661, *Minerva House, East Parade,* LEEDS, *LS1 5RX.*

---

FINANCIAL ANALYST
see
INTERNATIONAL
SECTION

---

**Senior Loans Officer**

## Prosper with promotion

Gain the additional scope you currently seek and secure your first management position by joining this London based foreign consortium bank which has been established since 1970. Offering a range of complete international merchant banking services to a world-wide network of clients, it acts both as lead, but mainly co-manager and has built a large and complex portfolio with borrowers in more than 50 countries.

As Assistant Manager/Manager you will have responsibility for loan review and control, loans administration and the preparation and checking of detailed reports, business promotion and analysis for senior management. You will report to the A.G.M. of the Loans Department and will supervise 2-3 staff.

Aged 25-35, you will have a sound banking background with a minimum of three years' experience in international credit. With your flexible attitude and a careful eye for detail you will enjoy working with a small team whilst exercising your interpersonal skills.

An excellent salary between £15/20,000 is available, together with a very competitive benefits package which includes bonus, mortgage subsidy, etc. Ring or preferably write (*quoting ref 7228*) to Carmina Leon of Cripps, Sears & Associates Limited, (Personnel Management Consultants), 88/89 High Holborn, London WC1V 6LH. Telephone 01-404 5701.

**Cripps, Sears**

---

**Engineering Employers' West Midlands Association**

## Director & Chief Executive

Highly attractive remuneration package plus car

Our client is one of the largest members of the Engineering Employers' Federation, and represents over 1,000 engineering firms in the West Midlands which employ some 200,000 people.

Prime objectives are to promote the interests of member companies and to provide them with a range of important advisory, consulting and ancillary services, as well as promoting management training through a centre of international repute.

The present Chief Executive is due to retire in the near future and a high calibre successor is now sought to guide the Association, in close consultation with all its members, towards the creation of conditions in which manufacturing industry can prosper and to aid the development of policies which will safeguard its future.

Already eminent in their field, candidates, aged 40 to 55, must be able to demonstrate *exceptional leadership and inter-personal skills* and be accustomed to working at top level either in or with manufacturing industry. Since the person appointed will often be required to act as spokesman for the engineering industry at local and national forums, experience of presenting industrial viewpoints to MP's, Government Departments, other Trade Associations and the media is essential. Commercial flair and a successful track record of business development, coupled with a thorough knowledge of the industrial relations field, are important pre-requisites.

The salary is negotiable at a level commensurate with the importance attached to this position, and it is unlikely that anyone earning less than £25,000 pa will be suitable. There are the usual fringe benefits, a car is provided and assistance will be given to relocate, if necessary.

Write or telephone for an application form or send detailed cv to **D.J. Dewhirst**, as adviser to the company, at the address below, *quoting ref: GM55/8712/FT on both letter and envelope.* No details are divulged to clients without prior permission.

PA

**PA Personnel Services**

**6 Highfield Road, Edgbaston, Birmingham B15 3DJ**
**Tel: 021-454 5791 Telex: 337239**

---

# Senior Auditor

As a major international manufacturing group with extensive *interests in pharmaceuticals, scientific equipment and horticulture,* Fisons plc has successfully established record growth and profit margins.

This growth has lead the group to seek an exceptional person to join our highly professional internal audit team.

The responsibility for conducting operational audits will necessitate contact with all levels of staff and management throughout the group. In addition to a strong commercial awareness candidates should possess excellent communication skills and a flair for meeting and dealing with people. *In this demanding environment, the quality* of self-motivation is most important.

First class academic and professional qualifications, augmented by a minimum of two years post qualification experience, are essential while experience of computer systems would also be highly desirable.

This is a stimulating and rewarding role involving extensive national and international travel. We offer a competitive salary and employee benefits package with relocation assitance where appropriate.

Please write with C.V. to: D. M. Higgins, Personnel Planning Manager, Personnel Department, Fisons plc., Fison House, Princes Street, Ipswich, Suffolk IP1 1QH.

**FISONS**

---

ARBUTHNOT LATHAM
BANK LIMITED

## SPOT DEALER

Due to expansion of the Bank we are seeking a Spot Dealer for our fast growing Dealing room.

A minimum of five years active trading in a major spot currency is required.

The salary we are offering will be highly competitive with the market, plus the usual banking fringe benefits.

For an application form please contact:

**Jakki Ridlington**
**Arbuthnot Latham Bank Limited**
**131 Finsbury Pavement, Moorgate**
**London EC2A 1AY.**

**Telephone: 01-628 9876**

---

**The English Association Trust Limited**

## HEAD OF OPERATIONS

The English Association Trust Limited wishes to appoint a Head of Operations to manage its dealing room and foreign exchange processing functions. The Head of Operations will report direct to the Finance Director.

These activities have been particularly successful in recent years, and the expansion in business has resulted in a reorganisation of the processing function, calling for an experienced Manager to take control of the newly operations unit.

Candidates should be aged in their middle 30s and have had at least 10 years' broadly based experience in a merchant banking environment, currently at a managerial level. A detailed understanding of settlement procedures for Foreign Exchange, Sterling and other major currencies, CDs and bills is fundamental to the position, as is strong administrative and leadership ability. Exposure to accounting and data processing areas would be helpful and there is a preference for a candidate with a good educational background.

The salary offered will be highly competitive, reflecting the importance attached to this key and progressive appointment. Fringe benefits are in line with best City practice.

***In the first instance, please contact Ken Anderson. Telephone 01-588 6644, or send a detailed Curriculum Vitae to the address below.***

***Anderson, Squires***
***Bank Recruitment Specialists***
***85 London Wall, London EC2***

*Anderson, Squires*

---

## *People aren't redundant -only jobs.*

So don't write yourself off just because your job has gone. We can help you by offering a choice of **Career Development** programmes designed to get you the right new job as quickly as possible.

Telephone for a free, confidential appointment—or send us your c.v.

**CHUSID**
The Professionals in Career Development

We are also specialists in 'Outplacement' for organisations, through our Group Company Lander Corporate Services Ltd.

**London:** 01-580 6771, 35-37 Fitzroy St., W1P 5AF.
**Bristol:** 0272 22367, Maggs House, 78 Queen's Rd., BS8 1QX.
**Birmingham:** 021-643 4830, The Rotunda, New Street.
**Nottingham:** 0602 584561, Gothic House, Barker Gate, NG1 1JU.
**Manchester:** 061-228 0089, Sunley Building, Piccadilly Plaza.
**Newcastle:** 0632 618861, 156-174 Sandyford Rd., Jesmond, NE2 1X6.
*Glasgow:* 041-332 1502, 141 West Nile St., G1 2RN.

---

# CHIEF EXECUTIVE

## NUCLEAR ENERGY BOARD

Applications are invited from suitably qualified persons for the post of Chief Executive of An Bord Fuinnimh Nuicleigh (The Nuclear Energy Board (Ireland) ). The appointment *will* be *either* permanent, with retirement at age 65, or for a fixed renewable term.

### SPECIFICATIONS

The person appointed should have a professional qualification relating to the science and technology of ionising radiation and should have a broad experience of at least 10 years in relevant *fields. Desirable* qualifications would be experience in the drafting of nuclear codes and regulations and in the field of nuclear licensing. Candidates will need to possess considerable executive and co-ordinating ability and capacity for leadership and will need to give evidence of past success in these respects.

### DUTIES AND RESPONSIBILITIES

The Board has the responsibility of advising the Government on matters associated with the control of ionising radiation and of keeping itself informed of develpoments in this field with particular reference to the implications for the State of such developments. Particular functions of the Board include issuing of licences to users of radioactive substances; ensuring that levels of radioactivity in the environment are adequately monitored; advising on the *acquisition of irradiation* equipment and radioactive devices for training and research; advising the Government on proposals for the installation, operation and supervision of such devices; preparing draft safety codes and regulations; promoting knowledge and research in nuclear science and technology including nuclear medicine and representing the Government on international bodies dealing with radiation matters. Other functions may be assigned to it from time to time by the *Minister for* Energy. The Chief Executive will be the Board's Chief Officer and Advisor on policy and will be responsible for the implementation of policy.

Further particulars on request.

*Applications, marked "Confidential," should reach*
The Chairman, NUCLEAR ENERGY BOARD
20-22 Lower Hatch Street, Dublin 2, by 27th July 1984

---

## Capital Markets

**Scandinavia** **c£15,000**

Our client, a major international investment bank, requires an additional business development executive to cover their capital market products in the Scandinavian region.

Aged 25-30, and an MBA graduate, the successful candidate will be fluent in Swedish and one other European language as well as English. 2-3 years' work experience in a financial environment in Scandinavia is likely to be a pre-requisite.

Please send full c.v. to:
Barry Johnson, PER,
319-327 Chiswick
High Road,
*London* W4.

PER Professional & Executive Recruitment

---

## U.S. FUND MANAGER

The Fidelity Organisation is one of the oldest, largest and most respected independent, privately-owned *investment management organisations* in the world (currently managing over £15 billion). Maintaining the highest level of performance has led to our considerable growth.

The well-chronicled success of our U.K. company over a wide range of international funds is due in part to solid ties with our Boston office and the quality of our international research base. But our impressive results are also the product of an outstanding group of *individuals here in London whose commitment* to colleagues is combined with creativity and flair.

To broaden our activities in the U.S. market, we are now seeking to expand further this senior management team with an additional established manager of competitive American trusts.

If you are aged 28 or over, are prepared to *travel and have a positive attitude to the* achievement of exceptional results, we would like to hear from you. Our remuneration package is highly attractive and prospects of a directorship and a significant equity share in the Company will give you the additional personal satisfaction of working in your own way towards your own success.

Find out more by writing to:
Leslie J. Hart,
International Personnel Director,
Fidelity International
Management Limited,
20 Abchurch Lane, London EC4N 7AL.
Telephone: 01-283 9911.

**Fidelity INTERNATIONAL**

# Schroders
## Schroder Asia Securities

### Financial Controller

Schroder Asia Securities is a fast growing brokerage house at present specialising in Far East equities, with offices in London, Hong Kong and Tokyo.

We are now looking for a Financial Controller who will be able to contribute significantly to our future expansion.

The successful candidate will probably be under 40. He or she must be a qualified accountant, have extensive experience of world stock markets, and be prepared to travel.

Computer experience will be a considerable advantage.

The financial rewards and other benefits will be attractive, and career development could well lead to a board appointment.

Candidates should apply to S. N. Roditi, Schroder Asia Securities (U.K.) Limited, Bastion House, 140 London Wall, London EC2Y 5DN.

All applications will be treated in the strictest confidence.

# Schroders
## Schroder Asia Securities

### Investment Analysts

Schroder Asia Securities is a fast growing brokerage house specialising in Far East equities, with offices in London, Hong Kong and Tokyo.

We are now looking for Investment Analysts to expand the cover of our research on the markets in Asia.

Ideally, candidates should have had experience of those areas, and be prepared to work in London or abroad, and to travel. Candidates willing to change their specialisation are also welcome to apply.

The compensation package will be competitive, with the usual fringe benefits.

Please apply to S. N. Roditi or J. A. Miller-Day, Schroder Asia Securities (U.K.) Limited, Bastion House, 140 London Wall, London EC2Y 5DN.

All applications will be treated in the strictest confidence.

GROWTH IN

# FUND MANAGEMENT

GRADUATE MBA ACA

We are retained by an International Bank to find energetic and demanding individuals to enhance its fast expanding fund management team.

The likely candidates could either have had the direct experience in managing fixed interest or equity funds, or could be Oxbridge graduates wanting to advance from a research analyst or economics background.

*The desire to handle major funds* with a high degree of discretion will be matched with the rewards associated with the banking environment.

*For further details write to or telephone:*

Rochester Recruitment Ltd., 21 College Hill, London EC4R 2RP
Telephone: 01-2?? 8316

Trainee Loans Officer

# Carve Your Career in International Banking

You will be eager to commence your career in international banking having recently graduated with a good law or economics degree. This foreign consortium bank offers a range of international merchant banking services to a broad based network of clients all over the world.

As Trainee Loans Officer, you will quickly become familiar with the bank's systems and procedures. Your duties will include basic analysis of the bank's borrowers by country, markets, business, etc. You will be responsible for loans administration, checking loans documentation, reading documents and correspondence from other banks and clients to provide reports for senior loans staff.

Aged early to mid 20's, you will work closely with, and report directly to, the Senior Officers of the Loans Department, supplying them with full backup. Co-operative and willing to learn, you will quickly establish a working relationship with staff at all levels.

Career potential is significant and an attractive salary with excellent banking benefits will be offered. Ring or preferably write (quoting ref 7229) to Carmina Leon of Cripps, Sears & Associates Limited, (Personnel Management Consultants), 88/89 High Holborn, London WC1V 6LH. Telephone 01-404 5701.

Cripps, Sears

## BANKING ANALYSTS

First class opportunity.

Long term contract or permanent employment at £22,000 per year.

Applicants must have a solid background in merchant banking systems at analyst/designer level.

To include international banking securities, bills, gilts, stocks, investments, loans/deposits.

Contact Richard Bennett now on (0273) 729261 or write:

Ref FT/RB
EUROLINK COMPUTER SERVICES LIMITED
Equity and Law House
102 Queens Road
Brighton BN1 3YF

## EUROBOND DEALER/SALES EXECUTIVE (manager status)

Late 20s/early 30s. £17,000 pa to £25,000 pa according to age and experience. Expanding international bank requires eurobond dealer/sales executive with minimum one year's experience (preferably 3 years) with FRN, CD and fixed and convertible bonds experience in euroyen, dollar, DM and samurais, primary and secondary markets. Please speak with Elizabeth Hayford.

LJC BANKING, 146 Bishopsgate, London EC2M 4JX Tel: 01-377 8600

# Treasurer

## A new financial appointment to a leading Building Society

The Leicester Building Society, an expanding and innovative society, with assets in excess of £2,500m., wishes to appoint a Treasurer.

The Treasurer will be responsible for managing the Society's portfolio of liquid assets (currently £450m.) and the portfolio of funds raised in the Wholesale Money Market. He/she will advise General Management on all aspects of the money market, including research into new methods of lending and borrowing money and on economic trends.

Candidates, ideally aged 28 to 35, preferably with a degree or professional qualification, must have experience of City financial markets and of reporting at senior level. They must have the personal motivation and potential to contribute to the future profitable growth of the Society.

The position will be of interest to those presently earning around £20,000 p.a. Comprehensive benefits include car, assisted mortgage, pension and sickness funds, medical insurance and assistance with relocation expenses if necessary.

Please write – or telephone – in confidence to Lionel Koppen ref. B.113.

MSL EXECUTIVE SEARCH LIMITED
International Management Consultants
52 Grosvenor Gardens London SW1W 0AW
Tel: 01-730 0255

# SWIFT (UK) CO-ORDINATOR

c £13,500

BACS has a vacancy for a Co-Ordinator to support its activities in providing service to the UK International banking community.

The responsibilities of the post holder will include liaison with the Banks and operational issues relating to SWIFT, co-ordinating technical and administrative functions and liaising with UK, and other financial institutions based in the UK, and acting as secretary to technical committees and working groups.

Ideally, candidates should have a good working knowledge of computer systems operating in a banking or telecommunications environment. Familiarity with the SWIFT system would be an advantage. Applicants should have the ability to deal effectively with a wide range of technical detail and administrative duties. Location is at the BACS City Office.

The salary is supplemented by a range of benefits including bonus, pension and sick pay scheme and assistance with house purchase after a suitable qualifying period.

**Please send full details, or telephone Donald Abbott, Personnel Manager, Bankers' Automated Clearing Services Limited, De Havilland Road, Edgware, Middlesex HA8 5QA. Tel: 01-952 2333.**

BACS

# "VENTURE" CAPITAL

You are a 27-33 year-old chartered accountant, solicitor, merchant banker or business school graduate with at least three years' experience in finding, negotiating and completing transactions for a leading house in the field of unquoted minority investments. You actively monitor the companies in which your house is invested.

You are an employee.

Would you prefer to participate in a management company and have a chance of making serious capital for yourself?

We are a privately-owned management company specialising in unquoted companies with substantial institutional funds under management. We are currently recruiting, and our remuneration package includes participation in the management company.

If you would be interested in joining us, write in strict confidence with full c.v. to Box: A8630 Financial Times, 10 Cannon Street, London EC4P 4BY.

# General Manager

## c. £30,000

As a result of re-organisation, a new post has been created reporting to the Director with overall responsibility for the operations of the Centre.

The objective of the Centre is to increase the effective application of information technology in the United Kingdom. Backed by Government and Industry, the Centre now has a turnover of £15m.per annum. Activities include research into the practice of information technology; dissemination through training courses, publications and consultancy; development and marketing of software; and the support of a membership now exceeding 2000 organisations.

The General Manager will be responsible for the interpretation, development and implementation of Board policy through management of an experienced executive team in a tough commercial environment. This is a challenging post for a Senior Executive with proven profit responsibility and wide (but not necessarily detailed) exposure to information technology. The personal and management skills to motivate professional staff are essential.

Remuneration is negotiable around £30,000 with excellent benefits, assistance with relocation to the Manchester area and other conditions associated with a senior appointment.

**Please send full career details, including current salary, to: David Fairbairn, The Director, The National Computing Centre, Oxford Road, Manchester M1 7ED, and mark the envelope 'General Manager'.**

NCC THE NATIONAL CENTRE FOR INFORMATION TECHNOLOGY

# Company Secretary Finance Director/

London up to £30,000

Our client is a profitable British plc. which designs and markets specialised branded business systems and products through a worldwide network including wholly owned subsidiaries and distributors. Turnover is currently £35 million and growing.

We seek a Chartered Accountant with appropriate post-professional experience and an entrepreneurial outlook to join the existing small top management team at the centre.

The prime tasks will be to handle all the statutory requirements, etc., as the Company Secretary, plus the taxation and treasury functions.

Subsequently the intention would be to add the role of Finance Director, currently held by the recently promoted Deputy Group Managing Director.

Rewards: Salary £25,000-£30,000, pension, car and usual benefits but, perhaps more important – a developing role in a dynamic environment.

Applications quickly please – in confidence – to:-

Leslie Coulthard Associates
St. Alphage House, Fore Street, London Wall, London EC2Y 5DA.

# MIDDLE EAST AREA OFFICER

£25-£30 K

Preferred age 28-40

A developing Saudi owned LDT, incorporated in England, requires an Arabic speaking banker with wide Middle Eastern experience to develop deposit and trade financing business in the area. Training with a British or American bank and a good educational background would be useful assets. The usual fringe benefits are provided.

Please reply in complete confidence to
The Managing Director,
Al Baraka International Limited,
14 Cavendish Square, London W1M 9DA.

# Strategic Investment Executives

The Greater London Enterprise Board has an active role in the development of London's industrial and commercial base.

Opportunities have arisen to help fulfil this demanding brief. Our expanding Sector Strategy Division needs experienced executives with experience of at least one of the following areas:

— Economic Intelligence and Industrial Strategy
— Investment Research and Analysis in Industrial Sectors
— Corporate Finance and Investment Strategy
— Senior Financial Management.

Applicants will need to demonstrate an exceptional range of skills and personal qualities. These should include initiative, self-motivation, and a breadth of view.

The Division will provide a demanding role, working with both sides of industry, in carrying out G.L.E.B.'s objectives—creating jobs, regenerating the London economy and widening the influence of Londoners over their working lives. G.L.E.B. will be seeking specific opportunities to assist the re-organisation of firms, to direct assistance to individual enterprises and to generate general initiatives to help sectors. Applicants will have a key role in determining sector investment policy criteria and in identifying and monitoring the subsequent performance of chosen investments.

Salary will be in the range of £15,000 to £19,000.

Write, enclosing a full curriculum vitae, to Nick Sharman, Director of Sector Strategy, Greater London Enterprise Board, 63-67 Newington Causeway, London SE1 6BD, or telephone 01-403 0300 for further information.

Greater London Enterprise Board

# *Appointments Wanted*

## STOCKBROKING

Accountant, 37, wishing to change career seeks association with a stockbroker. Well placed to develop private clientele within a particular ethnic community. Not a member of SE. Open mind on terms. Please write:

Box A8627, Financial Times
10 Cannon Street, London EC4P 4BY

## AUSTRALIAN BUSINESS GRADUATE

30 years seeks employment with an established forward thinking organisation possibly in the field of property investment, tourism or marketing. 12 years managerial experience in Australian employment combined with extensive awareness of world current political/economic conditions, and degree studies in administration/psychology. An outgoing personality, well suited to junior executive position requiring frequent customer liaison. Initial enquiries please contact: Military Commercial Corporation, 43 Portland Place, London, W1. Tel: 01-636 0116.

## OVERSEAS MANAGEMENT

General/Marketing Manager with wide experience of Far East, Africa and Caribbean in food, pharmaceuticals and chemicals, including manufacturing projects, recently returned from Saudi Arabia, seeks further overseas assignment min. 6 months. Available immediately. Write or telephone R. Baker, 10, *Glentham Road, London SW13 8JB.* Tel: (01) 748 1934.

## EXECUTIVE

British, currently resident Netherlands, wide experience in international marketing in Europe and Middle East, seeks challenging export-oriented position with go-ahead company in Europe or UK. Location unimportant, available now.

*Write Box A8633, Financial Times*
*10 Cannon Street, EC4P 4BY*

# Accountancy Appointments

## Chief Accountant

### Swindon

### c.£25,000 + car and benefits

Dunbar & Co. provides personal banking and investment services to its expanding client base. It has an unbroken record of profit and business growth since it was formed in 1969. In association with its parent company, Hambro Life Assurance plc, it launched the Financial Management Programme in 1983, offering a fully integrated range of financial services for the first time in the U.K.

To meet Dunbar's current and planned rapid growth its Finance Division has been reorganised. A Chief Accountant is required to report to the Managing Director as head of the new Division, located in Swindon, Wiltshire. The position offers excellent opportunities for future career development in a group which is at the forefront of the exciting developments in the financial services industry.

Applications are invited from qualified accountants in their early thirties with at least five years' experience in a financial company.

Salaries are very competitive, the fringe benefits are excellent and the working environment is friendly and stimulating.

*For further information and an application form, please write or telephone quoting ref. 4405/L to: M.R.P. Blanckenhagen, Peat, Marwick, Mitchell & Co., Executive Selection Division, 165 Queen Victoria Street, Blackfriars, London EC4V 3PD. 01-236 8000, Ext. 2550.*

PEAT MARWICK

---

Esso

## Outstanding career opportunities for young accountants

As a result of career development moves within the company, we are seeking two young accountants who have the desire, the ability and the self-confidence to reach senior management positions in the challenging environment of a major oil company.

Esso UK is a major part of the world's largest energy corporation. Its United Kingdom operations are fully integrated and include exploration, production, refining, marketing and research.

Successful applicants would initially join a small group of London-based Financial Analysts responsible for providing all levels of financial and operating management with business analysis, financial reporting and management information. They would thus make an immediate contribution to the company's decision-making processes and at the same time gain a broad overview of our operations as a sound base for future career progression either within the financial function or elsewhere.

*Esso seeks more than merely competent analysts.* Applicants must above all be able to demonstrate that they are capable of taking advantage of the company's progressive and energetic approach to management development which is designed at an early stage to recognise and reward those with high potential and prepare them for future management roles.

*Applications are invited from qualified graduate accountants* aged 23-28. An extremely competitive compensation package is offered, with relocation costs where appropriate.

**Please telephone or write, enclosing C.V. and quoting reference SFT, to Nick Leather, who will be conducting first round interviews. Evenings or weekends telephone 0932 242557.**

**Fleet Recruitment**
**FINANCIAL RECRUITMENT CONSULTANTS**
40-43 Fleet St, London EC4Y 1BT Telephone: 01-583 6613

---

## Finance Executive

**c £20,000 p.a. + Car** — **South Coast**

Our Client is a profitable subsidiary of a well established British electronics multi-national. The Director of Finance wishes to fill this key role in his senior team with an outstanding manager. This is undoubtedly an exciting opportunity for someone in their early thirties looking for an important career step who is capable of meeting the following requirements:-

- a qualified accountant with MOD accounting experience (preferably in high technology), familiar with export markets, foreign currency transactions and to handling change in a sophisticated systems environment
- possessing management skills in leadership, staff management/development and communications
- with the personal qualities required to establish good relationships with customers at home and overseas and with line colleagues.

This appointment carries top level executive benefits and generous relocation expenses. Applications in strictest confidence to Don Atkinson quoting reference MS56A.

**Michael Quest Associates**
Executive Selection Consultants,
596 Chiswick High Road, London W4 5RS.
Tel: 01-995 3246/7.

---

## ACCOUNTANT

**CITY** — **£20,000** — **Aged 28/32**

Our clients are a new firm which will operate in the securities industry in London with strong capital backing. They now wish to appoint an Accountant to assume full responsibility for the firm's accounting function, which will initially require close involvement in the development and implementation of computerised systems. Specific duties will include the production and interpretation of periodic financial, management and statutory accounts, including returns to appropriate regulatory bodies.

Candidates will be young graduate Chartered Accountants with a minimum of 3 years' relevant post-qualification experience, ideally gained within a large securities firm engaged in International Equity and Fixed Interest business. An understanding of risk and exposure in the different markets is essential. Candidates must also be able to display a high level of achievement in their careers to date and be self-motivated with well-developed inter-personal and management skills. Drive, initiative and the ability to meet the potential career challenges are essential.

*In the first instance, please telephone or write to Martin Krajewski, in the strictest confidence, as adviser to the above company.*

Firth Ross Martin
Financial & Professional Selection Consultants
Wardgate House, 59a London Wall, London EC2M 5TP
Telephone 01-628 2441

---

## Financial Controller

### High-tech electronics South-East

A highly successful and profitable British group of advanced electronics companies on target for a turnover approaching £30m, whose high-quality products are brand leaders, now requires someone to take responsibility for its overall finance and accounting functions in a varied and demanding post.

Reporting to the Board, the successful candidate will be fully conversant with manufacturing as well as financial accounting systems based on highly computerised techniques. Good experience of office administration and well-developed people-management skills, coupled with the ability to deal positively yet diplomatically with different levels of financial and non-financial management, are vital. Some overseas travel may be necessary.

Candidates will be Chartered Accountants with experience of operating successfully at senior level who are used to adhering to tight reporting timescales without constant supervision. *It is unlikely that anyone under the age of 35 will have acquired the necessary experience.*

An attractive remuneration package will be offered, with a car and other fringe benefits normally associated with a company of this status.

Please send full cv which will be forwarded to our client unopened, quoting **Ref: R2966/FT.** (Address to our Security Manager if listing companies to which it should not be sent.)

PA

**PA Advertising**

Hyde Park House, 60a Knightsbridge, London SW1X 7LE.
Tel: 01-235 6060 Telex: 27874

---

## Management Consultancy

### High Calibre Accountants – Leeds

Our consultancy practice based in Leeds is expanding and we are looking for one or two able accountants to join our team of experienced consultants.

We offer a varied and challenging environment working for clients in a wide range of industries. Assignments on which accounting consultants are engaged typically include the design and installation of costing and management information systems, cost reduction and profit improvement projects, and feasibility and financial planning studies. Many engagements involve working in conjunction with data processing, marketing and other specialists.

If you are a qualified accountant in your late 20s to mid 30s with a record of achievement in industry (preferably in the manufacturing sector) with the drive and enthusiasm to tackle diverse and demanding projects successfully we should like to hear from you. We offer an attractive remuneration package including a car and there are real opportunities for advancement for the best people.

Please write in confidence giving brief career details to Mr. C.I. McBride, Peat, Marwick, Mitchell & Co., Airedale House, Albion Street, Leeds LS1 5TY.

PEAT MARWICK

---

## Finance and Administration Manager

**London,** — **circa £20K**

Commercially-deployed, aged 28-35, accountant-trained, executives who have developed evident skills in the financial, treasury (esp. credit control), fiscal, EDP & administrative practices of international trading, preferably oil or bulk commodities and/or shipping, should explore a growth opportunity 'comptrolling' the new division (£150m. T.O.) of a worldwide business (our client has a network of trading offices overseas – hence some stimulating travel abroad) by calling our Chairman on 01-730 0138 to obtain details of a very promising career opportunity.

**EXECUTIVE PRESELECTORS**
*A Division of Executive Search Ltd.*
8A Symons Street, London SW3 2TJ

---

## Chief Internal Auditor

**Sunderland** — **Salary C£10,000**

Sunderland and Shields Building Society, a major regional society with over 40 branches in the North East, and with total assets exceeding £240m, currently require a Chief Internal Auditor to augment the management team at their head office in Sunderland.

An attractive salary is offered, plus contributory pension scheme, life assurance cover, BUPA and concessionary mortgage facilities. The post offers considerable opportunities for a qualified accountant to broaden his or her experience within an expanding financial environment. Assistance with relocation will be considered where appropriate.

Please write with full CV to Mr. R. Stracey, FCA, Assistant General Manager, Sunderland and Shields Building Society, P.O. Box 14, 50 Fawcett Street, Sunderland, Tyne and Wear SR1 1SA.

---

## Young ACA/ACCA

### A key function in retailing

### Cheshunt, Herts c.£12,500 + car

*New stores, new product ranges. Tesco is* expanding with enviable trading figures and performance demonstrating its success in retailing.

Fundamental to continued growth – and overall profitability – is the development and management of branch administration policies to meet the needs of new and changing requirements. Against this background of Tesco initiative and expansion, we now seek a young accountant to take up a challenging appointment at our Head Office in Cheshunt.

The task is to support the Director of Branch Administration in the control of key functions within the department and offers scope to make a significant contribution in the formulation of policies covering financial, branch and management information systems.

The position calls for a Chartered or Certified Accountant with at least 2 years' post qualification experience, ideally gained in a relevant commercial environment.

Salary will be around £12,500 plus a car and large company benefits.

Please write with full career details to Doris Sobczak, Tesco Stores, Tesco House, Delamare Road, Cheshunt, Herts EN8 9SL.

TODAYS TESCO

---

## The Accountant

**East Croydon**

Established in 1874, the Accountant recently changed ownership and is now controlled by another prominent name in the accounting profession - Tolley Publishing Co. Ltd. Whilst retaining its valued reputation as a quality magazine, the new owners intend a major redevelopment of the title, for which the following vacancies have arisen. Generous salaries will be negotiable for both positions and the post of Editor also carries with it a company car.

### Editor

This is an ideal opportunity for candidates who possess the necessary journalistic skills and experience to assume responsibility for this prestigious magazine during an exciting period of change. The Editor will be given a substantial measure of independence and, therefore, to lead his/her team effectively must have strong management qualities with a proven aptitude for the written word and technical ability harnessed to imagination. Applications are invited from candidates with an economics and accountancy bias, which is likely to be evidenced by an accounting or similar qualification. Ref. 1315/FT.

### Technical Editor

The successful candidate (male/female) for this newly created position will be involved with helping to plan a balanced journal; producing authoritative articles; meeting leading members of the professional and financial communities; finding and developing expert contributors; shaping their ideas and discussing possible articles. An accounting qualification and enthusiasm for work of this nature are more important than previous jounalistic experience. Ref. 1316/FT.

Send full c.v. (with telephone numbers and current salary) to R.P. Carpenter, FCA, FCMA, ACIS, 2-5 Old Bond Street, London W1X 3TB or telephone for an application form 01-493 0156 (24 hours), quoting the relevant reference number.

*Phillips & Carpenter*
Selection Consultants

---

ema

## Accountant

### for Business Analysis

### c. £13,000 + Car + Bonus

Our **Reading** based client, a division of one of the UK's most progressive and successful management services companies, has grown to a £25 million turnover.

Acting as the financial support to the Divisional Managing Director, the Accountant will be responsible for the review of the financial and commercial activities of 200 mini businesses throughout the UK. In a position involving no routine accounting he or she will be responsible for the analysis and investigation of management information, budgets and strategic plans and investment appraisal. Enhancing the financial awareness of operations staff, the Accountant will additionally further develop computerised systems.

Applicants should be qualified accountants with proven analytical experience and should write, enclosing a brief career history, to **David Hogg FCA**, quoting reference I/2234.

**EMA Management Personnel Ltd.**
**Halton House, 20/23 Holborn, London EC1N 2JD**
**Telephone: 01-242 7773 (24 hour)**

---

## *Finance Director - Hong Kong*

### *c £40,000 + 25% Bonus, 17% Income Tax*

Hong Kong's Mass Transit Railway Corporation operates a modern world-class rapid transit system carrying 1.2 million passengers per day. The system is being expanded at a cost of £1 billion. MTRC is also one of Hong Kong's larger property development and property management companies. With a total capital investment of over £2 billion and a staff of 5,200, MTRC is a growing and increasingly vital presence in the colony.

The corporation's investment has been financed principally by loans raised from Hong Kong and international banks and financial institutions. Loan funds, which will aggregate some £2 billion by 1987, include export credits, term loans, syndicated loans and bonds plus a variety of money market instruments.

The Finance Director will have total responsibility for the treasury and accounting functions and hence must have broad financial experience. Essentially, the appointee must possess a wide knowledge of financial markets and be able to demonstrate a record of prudent financial innovation.

The appointment is for a period of three years with the possibility of extension to 5 years. Thus applicants are likely to be at the peak of their profession and seeking the challenge of a dynamic organisation overseas.

The commencing salary attracts an annual 20% gratuity and excellent benefits including appropriate furnished accommodation, a car with driver and first class travel for annual home leave.

Candidates, male or female, should write in confidence for a personal history form to Michael R Andrews, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 9SY quoting reference MCS/7140B.

Price Waterhouse Associates

# Accountancy Appointments

## Financial Controller

*Bookseller*

*Central London to £20,000+car*

Our client, Waterstone & Co., is successful and fast growing, with five large high quality bookshops within central London and ambitious business plans for the next five years. In addition, the group is engaged in specialist publishing and operates a growing customer charge account facility.

An enthusiastic Financial Controller is required to introduce sound professional discipline into existing centralised accounting and administrative activities, and to provide management information to support a sophisticated buying and retailing management team.

Candidates are likely to be graduate Chartered Accountants, aged 30 to 35, with experience of computerised accounting systems and cash management. Personal qualities sought are attention to detail, determination and communication skills, as well as proven success in leading and motivating a small accounts department.

Please reply to Tim Paley in strict confidence, with details of age, career and salary progression, education and qualifications, quoting reference 1329/FT on both envelope and letter.

**Deloitte Haskins+Sells**
Management Consultants
128 Queen Victoria Street, London EC4P 4JX

---

## Financial Controller

**c. £18,000+Car**

Located in the Thames Valley, our Client is a fast expanding manufacturing company and a member of a substantial progressive PLC.

Reporting to the General Manager, responsibilities will be to co-ordinate the total accounting functions. The company has recently invested in a major computer installation and now wishes to develop integrated systems.

Candidates must be qualified Accountants, preferably with a degree and in the 28 to 40 age range. A background in a manufacturing environment is needed, ideally in the electronics or related industry. A working knowledge of computers and the ability to act as Company Secretary are also important factors.

The package includes a quality car, an excellent pension scheme and good promotion prospects.

Please apply to Barnett Consulting Group Ltd, quoting reference 8354 at Providence House, River Street, Windsor, Berkshire, SL4 1QT. Telephone (07535) 56723.

**Barnett Consulting Group**

---

## Group Financial Controller

### A senior role with great potential

Foseco Minsep plc is a major international group specialising in materials technology — the development, manufacture and supply of products, systems and technical services to meet the demands of the world's engineering, foundry, construction and mining industries.

The Group, through its network of operating companies, has gained an enviable reputation for high levels of customer service and technical excellence, which has been reflected in a turnover of around £400m and an excellent record of growth and profitability.

A recent promotion has created the need for an outstanding individual for a key position based at our Head Office in Birmingham. Reporting to the Group Commercial and Finance Director, you will be responsible for controlling and co-ordinating small teams engaged in Group Accounting, Group Audit, Group Management Information and Group Systems.

This is an outstanding opportunity for a top rank graduate with ACA/FCA qualifications and relevant experience. In addition, you will need a thorough understanding of management information systems together with first class man management and communication skills.

High calibre men or women who can demonstrate *significant potential, enthusiasm and commitment* can anticipate excellent career prospects.

We offer a substantial salary, together with a company car and a wide range of group benefits including an excellent pension and life assurance scheme, private health insurance and relocation expenses if appropriate.

**Please write with full career history to Mrs P. H. Rayer-Dyson, Group Personnel Director, Foseco Minsep plc, Long Acre, Birmingham B7 5JR.**

**Foseco Minsep**

---

ACCOUNTANCY APPOINTMENTS APPEARS EVERY THURSDAY

---

**Corporate Tax Manager**

## Plan for the Future

This successful medium sized firm of Chartered Accountants prides itself in providing a personal and technically up to date service to its broadly based clients. Strongly independent, it has established a network of national and international offices and is well placed for future expansion.

The tax department is being restructured and our client now wishes to fill two newly created positions for Tax Managers. Each Manager will have full responsibility for managing a section of up to four tax staff as well as dealing with his/her own portfolio of cases. There will be considerable scope for involvement in tax planning for both UK and international corporations

Aged 29 to 34, you are a qualified Accountant and have specialised in corporate tax for at least four years. You are currently a Superviser or Manager seeking the chance to join a forward thinking firm where there are excellent possibilities for partnership.

Remuneration will include a negotiable salary, contributory pension scheme, BUPA group scheme and interest free season ticket loan. Interested? Then ring or preferably write, enclosing a CV, to Barbara Lord of Cripps, Sears and Associates Ltd., (Personnel Management Consultants), 88/89 High Holborn, London WC1V 6LH. Tel: 01-404 5701 (24 hours).

**Cripps, Sears**

---

*Major U.S. Bank*

## SENIOR FINANCIAL MANAGEMENT

**Systems * Financial Control * Tax**

**c.£20,000 + Car + Mortgage**

Our client: a major U.S. bank with a high growth record, extensive branch network, *and broad product range. At present its Financial Management division is undergo*ing radical automation and redevelopment of accounting and management information procedures, resulting in the following appointments:

### Financial Control

Effectively, the most senior division head in this group with complete responsibility for general accounting, reporting, policies and procedures. There is direct career progression in this position, and for that purpose the incumbent may also gain experience within other operating departments.

**Profile:** ACA, large firm trained with 3–4 years, financial management experience, preferably gained in banking, but definitely within a sophisticated accounting environment. Ref: FM1

### Systems Accounting

Heading up a multi-disciplined systems function, with responsibility for driving forward automation, primarily as user representative initiating and reacting to overall systems strategy. Ultimately this will involve the creation of a complex financial and management accounting data base.

**Profile:** preferably a qualified Accountant probably aged late 20s mid 30s with accounting, systems development and project management experience gained in a large bank. Ref: FM2

### Junior Tax Manager £14–16,000

**Profile:** ideally, a bright tax senior with 1–2 years experience in a 'Big 8' accounting firm. Ref FM3

*Please contact Kevin Byrne, who is acting as advisor to the bank. Telephone: 01-588 6644, or write to him at the address below enclosing a detailed curriculum vitae. All applications are in total confidence.*

*Anderson, Squires*
*Bank Recruitment Specialists*
*85 London Wall, London EC2*

Anderson, Squires

---

## FEATURES EDITOR

The Features Editor, reporting directly to the Editor, will be a senior member of a compact management team with complementary professional skills and experience. He/she will be closely involved with most aspects of managing and editing **Accountancy**, and play a key part in ensuring that it continues to be both a journal of the highest quality and a continuing commercial success.

*The candidate, who must have a recognised* accounting qualification and should preferably be a graduate, will be expected to demonstrate:

* a knowledge of, and interest in accounting and auditing, standards, taxation, finance and management;
* writing talent; and
* ability to deal with people at a high level.

He/she will be expected to have up-to-date technical knowledge coupled with sound experience, preferably gained with a professional firm of some substance.

Applications, which should include a curriculum vitae, should be addressed to: Mrs. C. Hoodless, Personnel Manager, The Institute of Chartered Accountants in England and Wales, P.O. Box 433, Chartered Accountants Hall, Moorgate Place, London EC2P 2BJ.

**Accountancy**
Journal of the Institute of Chartered Accountants in England & Wales

---

## FINANCE & ADMINISTRATION MANAGER

ACMA/Business Degree

**c.£15,000 + bonus + car** **Midlands**

Our client is one of the world's leading companies in the provision of business information systems. They also supply a wide range of peripheral data processing media from two factories in the UK.

Expansion has created the need for this new appointment in the special division devoted to the production and sales of these peripheral products.

Reporting to the Divisional Director your main tasks will be to organise and direct finance, administration and pricing policies whilst helping to achieve divisional objectives through effective financial control and decision making. In short it will entail striking a balance between long term formulation of business plans and day-to-day involvement on cost and pricing.

The chances are you'll be in your 30's with an ACMA qualification, a business degree and a background in a disciplined manufacturing environment. You must be well versed in computerised modelling and forecasting systems. You'll be thoroughly at home with all aspects of costing, estimating, product pricing and purchasing and capable of supervising a department of over 20 including the departments' own computer system and operations staff.

Aside from your financial and administrative skills you'll be a Manager in every sense of the word – a good communicator at all levels, decisive and generally 'quick on your feet' in an environment which is essentially sales oriented.

The position is based in new offices situated in a pleasant residential area of the West Midlands. The salary will be supplemented by an annual bonus, company car, family medical insurance and a non-contributory pension scheme. Hopefully we have said enough to whet your appetite about joining a company that is at the forefront of the computer industry. Please write enclosing a full CV, including salaries earned and stating any companies to which your application may not be sent, to: T. L. Roberts (Ref: 277), Director.

**WBH** *whites bull holmes ltd.*
63-66 St. Martin's Lane, London WC2N 4JX

---

## GROUP SYSTEMS AND PLANNING ACCOUNTANT

**London** **Excellent Neg Package + Car**

Our client, a **medium sized public group** turning over in excess of £20M., is a **worldwide market leader** in process equipment and handling system **design and manufacture** for specialised end use, with significant **associated consumable sales.**

Reporting to the Group Financial Director, **a new position with advancement potential** has been identified during recent restructuring for an outstanding **'systems accountant'**, qualified and probably aged 30 to 40, to join a small head office team. Experience sought, **either industrially or consultancy based,** includes:

- 'shopfloor' management accounting
- management information specification
- mini/micro systems implementation
- budgeting planning involvement

Negotiations start at **c. £18K, but are unlikely to be a 'holding item' for the right applicant.** Other benefits include relocation expenses where appropriate.

**Candidates, male or female, please telephone Lyn Staines, Recruitment Secretary, on Windsor (07535) 67175 (24 hour confidential reply service) or write in confidence to Investors in Industry Consultants Limited, 5 Victoria Street, Windsor, Berkshire SL4 1EZ, for further details and an application form, quoting DB/485.**

**3i** Investors in Industry Consultants Limited
Recruitment Division

---

SCIENTIFIC DESIGN COMPANY LIMITED

## CHIEF ACCOUNTANT

**LONDON** **£16,000**

**For the UK subsidiary of a USA-owned international group, operating worldwide as chemical engineering technical advisers in developing countries**

**RESPONSIBILITY** is for all aspects of financial, project and management accounting and financial planning.

***THE REQUIREMENT*** *is for a Chartered Accountant, having* practical experience in project accounting, using marginal costing methods. It is proposed to reorganise the Accounts Department using one or more micro-computers and the person appointed would be responsible for its implementation.

**PREFERRED AGE** 28-35 years.

**Reply to The Secretary**
***SCIENTIFIC DESIGN COMPANY LIMITED***
**9 Kingsway, London WC2B 6XF**

---

## Financial Controller

**Aged 28-35** **South Coast** **c£20-24,000 + car**

Our client is the UK Division of a US "household name" company which in turn forms part of a multinational US Corporation with turnover in excess of $6 billion. Located in a very pleasant part of the South Coast, this Division has sales of around £40 million from the marketing and manufacture of fast-moving consumer goods both in the UK and overseas, especially Europe and the Middle East.

Owing to the promotion of the present incumbent to a more senior position within the Corporation, our client is now seeking a young Financial Controller to be responsible to the Divisional Finance Director for the management of general accounting (financial, taxation and treasury), manufacturing cost control, and accounting systems development.

Candidates should be qualified accountants with at least five years' industrial/commercial experience, including a minimum of two years in a manufacturing environment. Familiarity with US multinational reporting, plus a sound knowledge of UK corporate taxation, would be highly desirable. Personal qualities must include high ambition and drive coupled with demonstrated *man-management* ability.

Interested individuals should telephone **Harry Chryssaphes on 01-439 6911** or write to him, enclosing a CV and a note of their salary, at EMF International, 21 Cork Street, London, W1X 1HB.

*EMF International*

---

**ACCOUNTANCY APPOINTMENTS**

**RATE £34.50 PER SINGLE COLUMN CENTIMETRE**

SECTION III – INTERNATIONAL MARKETS

# FINANCIAL TIMES

Thursday June 7 1984

ØØ


March of Spanish lemons faces setback, Page 44

WALL STREET

## Inclination to buy is elusive

A SUCCESSFUL turnround from early weakness was seen on Wall Street yesterday, although trading remained on a modest scale. The bond market, in contrast, slipped back again to close with losses of up to a full point, *writes Terry Byland in New York.*

The upturn in equities reflected a bout of bargain hunting by market traders and private investors. A significant factor was a recovery in IBM stock, which closed ⅜ up at $105¾ after falling to a new 52 week low earlier in the session.

The Dow Jones industrial average, down to 1123.60 at one time, closed at 1133.84, a net 8.95 points higher, on turnover of 83.8m shares.

Investors remained cautious over the outlook for the U.S. and world economies ahead of the annual economic summit conference which opens in London today. The market also heeded warnings on the U.S. trade deficit delivered to the Senate Banking Committee by Mr Martin Feldstein, President Reagan's chief economist. Favourable reference to the U.S. economy by Mr Paul Volcker, the Federal Reserve chief, had no immediate effect.

An attempted rally in the bond market was snuffed out during the morning, and prices drifted down again. Short-term rates also eased at first but steadied after Mr Feldstein warned that the next six months could bring an upward trend.

The setback in IBM took the stock near new 52-week lows, with turnover again heavy. By midsession, more than 1¼m shares in the computer monarch had been traded, and the price was $1⅛ off at $104⅛ after dipping to $103¾ in early trading. This followed IBM's move to ease credit to dealers carrying its recently introduced personal computer.

Despite a denial by the IBM president of any plans to cut prices on the group's PC jr, Wall Street remained wary regarding sales prospects for the model in a tightening market for personal computers.

The fall in IBM during the morning held back the Dow Jones average, which had opened with a gain of 3½ points.

Industrial stocks kept a low profile, but began to edge forward at midday. Banking issues, however, remained weak as the market surveyed the industry's problems.

Continental Illinois edged up $⅛ to $6⅛ after First Chicago Bank told the Illinois authorities it wanted federal guarantees before making any bid for its unfortunate fellow-Chicago bank.

Manufacturers Hanover, $⅝ down at $27⅝, and Citicorp, $⅛ off at $29⅝, featured in a dull sector as the market awaited further negotiations on Latin American loans, following the agreement to renegotiate Mexico's debts.

Ford Motor stock slipped $¼ to $38¼, with the market taking a cautious view of the management upset in the group's highly successful European operations.

But other motor issues were also a shade easier despite continued strength in sales disclosed in the most recent statistics on the U.S. market. At $64¾, General Motors shed $¼.

Oil stocks opened firmly, with several of the recent takeover favourites back in form. Atlantic Richfield at $34⅝ gained $⅛, but Superior Oil at $41¾ drifted down $⅛.

Commodore International, $1¼ up at $26¾, continued to respond to hopes that its new model, introduced at the latest industry sales fair, will enable the group to resist the competitive pressures in the personal computer market. The main line computer and data processor makers looked irregular. Honeywell added $¼ to $50½, but Digital Equipment, number two to IBM, shed $½ to $89¾.

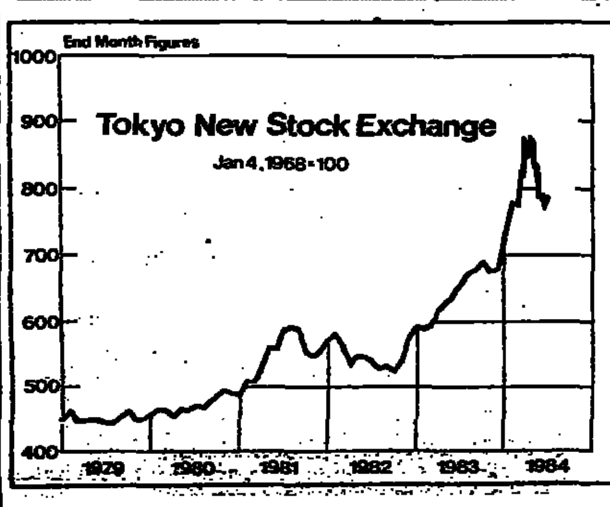
Among the batch of special situations, Continental Group, the packaging concern, dipped a further $½ to $42 – still well below the value of the $2.1bn informal cash offer from Diamond Land, controlled by Sir James Goldsmith, the UK Financier.

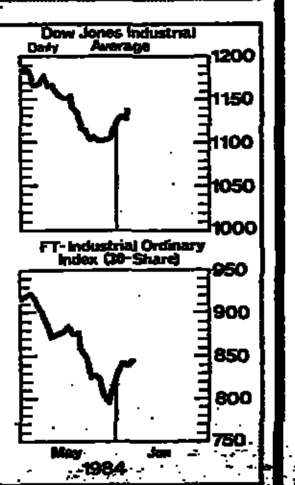
Stock in Walt Disney fell $1½ to $62¾ in heavy turnover as the $33m purchase of Gibson Greetings, the old established U.S. greeting card company, was seen as a further barricade against the unwanted attentions of Mr Saul Steinberg.

A. H. Robins, the health care company, fell $1¼ to $16⅝ in the face of claims filed over its Dalkon contraceptive device.

In the credit market, bond prices weakened afresh at midsession in the absence of retail support. The key long bond of 2014, at 98²²⁄₃₂, was ²¹⁄₃₂ off. In the short-term markets, firmness in the federal funds rate at 10¹³⁄₁₆ per cent checked an initial easing in Treasury bill discounts. Three-month bills were 2 basis points higher at 9.76 per cent discount and six month bills unchanged at 10.43 per cent.

## KEY MARKET MONITORS




STOCK MARKET INDICES

| NEW YORK | June 6 | Previous | Year ago |
|---|---|---|---|
| DJ Industrials | 1133 84 | 1124.89 | 1214.24 |
| DJ Transport | 485.08 | 479.42 | 557.19 |
| DJ Utilities | 124.90 | 124.28 | 130.21 |
| S&P Composite | 155.08 | 154.34 | 164.83 |
| **LONDON** | | | |
| FT Ind Ord | 846.5 | 840.1 | 714.7 |
| FT-SE 100 | 1087.9 | 1077.8 | 947.1 |
| FT-A All-share | 505.7 | 501.41 | 442.25 |
| FT-A 500 | 554.56 | 550.31 | 482.67 |
| FT Gold mines | 699.3 | 698.5 | 585.9 |
| FT-A Long gilt | 10.6 | 10.57 | 10.35 |
| **TOKYO** | | | |
| Nikkei-Dow | 10,254.20 | 10,258.70 | 8505.92 |
| Tokyo SE | 792.40 | 792.70 | 633.23 |
| **AUSTRALIA** | | | |
| All Ord. | 673.7 | 674.7 | 914.9 |
| Metals & Mins. | 449.3 | 448.3 | 551.8 |
| **AUSTRIA** | | | |
| Credit Aktien | 54.67 | 54.69 | 57.73 |
| **BELGIUM** | | | |
| Belgian SE | 148.30 | 148.37 | 120.46 |
| **CANADA** | June 6 | Previous | Yr ago |
| Toronto | | | |
| Metals & Minls | n/a | 2022.49 | — |
| Composite | 2278.60* | 2280.86 | 2424.4 |
| Montreal | | | |
| Portfolio | 116.16 | 111.07 | 122.73 |
| **DENMARK** | | | |
| Copenhagen SE | 188.12 | 184.95 | 145.86 |
| **FRANCE** | | | |
| CAC Gen | 172.2 | 173.1 | 126.7 |
| Ind. Tendance | 107.5 | 107.6 | 77.4 |
| **WEST GERMANY** | | | |
| FAZ-Aktien | 344.21 | 344.12 | 304.01 |
| Commerzbank | 998.6 | 998.9 | 908.1 |
| **HONG KONG** | | | |
| Hang Seng | 932.12 | 932.44 | 902.89 |
| **ITALY** | | | |
| Banca Comm. | 205.47 | 207.27 | 188.49 |
| **NETHERLANDS** | | | |
| ANP-CBS Gen | 157.3 | 157.6 | 125.7 |
| ANP-CBS Ind | 125.7 | 126.5 | 100.8 |
| **NORWAY** | | | |
| Oslo SE | 264.82 | 271.22 | 189.57 |
| **SINGAPORE** | | | |
| Straits Times | 947.45 | 945.47 | 961.86 |
| **SOUTH AFRICA** | | | |
| Golds | 1066.1 | 1075.6 | 857.8 |
| Industrials | 1046.4 | 1048.6 | 937.9 |
| **SPAIN** | | | |
| Madrid SE | 121.35 | 120.09 | 114.45 |
| **SWEDEN** | | | |
| J & P | 1439.64 | 1455.39 | 1341.98 |
| **SWITZERLAND** | | | |
| Swiss Bank Ind | 363.8 | 363.7 | 320.2 |
| **WORLD** | June 6 | Prev | Year ago |
| Capital Int'l | 178.6 | 178.7 | 175.6 |

GOLD (per ounce)

| | June 6 | Prev |
|---|---|---|
| London | $392.00 | $394.00 |
| Frankfurt | $391.75 | $394.00 |
| Zürich | $391.75 | $394.75 |
| Paris (fixing) | $392.48 | $393.28 |
| Luxembourg (fixing) | $399.30 | $395.25 |
| New York (June) | $393.20 | $394.70 |

* Latest available figure

CURRENCIES

| (London) | U.S. DOLLAR June 6 | U.S. DOLLAR Previous | STERLING June 6 | STERLING Previous |
|---|---|---|---|---|
| $ | – | – | 1.4025 | 1.3945 |
| DM | 2.677 | 2.684 | 3.7525 | 3.745 |
| Yen | 230.4 | 230.25 | 322.25 | 320.85 |
| FFr | 8.255 | 8.26 | 11.55 | 11.52 |
| SwFr | 2.232 | 2.2325 | 3.13 | 3.11 |
| Guilder | 3.021 | 3.03 | 4.2375 | 4.225 |
| Lira | 1661.0 | 1664.0 | 2332.0 | 2317.5 |
| BFr | 54.7 | 54.7 | 76.85 | 76.25 |
| C$ | 1.29875 | 1.30075 | 1.8215 | 1.813 |

INTEREST RATES

| | June 6 | Prev |
|---|---|---|
| **Euro-currencies** | | |
| (3-month offered rate) | | |
| £ | 9⁹⁄₁₆ | 9½ |
| SwFr | 3⅞ | 3¹³⁄₁₆ |
| DM | 5¹³⁄₁₆ | 5¹³⁄₁₆ |
| FFr | 13⅝ | 13⅝ |
| **FT London Interbank fixing** | | |
| (offered rate) | | |
| 3-month U.S.$ | 11⁷⁄₁₆ | 11⅜ |
| 6-month U.S.$ | 12⅛ | 12¹⁄₁₆ |
| **U.S. Fed Funds** | 10⅞* | 10⅝ |
| **U.S. 3-month CDs** | 11.00* | 11.00 |
| **U.S. 3-month T-bills** | 9.74* | 9.73 |

U.S BONDS

| Treasury | June 6* Price | June 6* Yield | Prev Price | Prev Yield |
|---|---|---|---|---|
| 12⅜ 1986 | 99³⁰⁄₃₂ | 12.66 | 100⅛₂ | 12.55 |
| 12⅝ 1991 | 95⅝₂ | 13.44 | 95²⁰⁄₃₂ | 13.30 |
| 13⅛ 1994 | 98¾₂ | 13.48 | 98²⁴⁄₃₂ | 13.35 |
| 13¼ 2014 | 98²²⁄₃₂ | 13.44 | 99¹¹⁄₃₂ | 13.33 |
| **Corporate** | **June 6*** | | **Prev** | |
| AT & T | Price | Yield | Price | Yield |
| 10⅜ June 1990 | 87½ | 13.50 | 87¼ | 13.55 |
| 3⅜ July 1990 | 71 | 10.45 | 71 | 10.45 |
| 8⅜ May 2000 | 67½ | 13.90 | 67½ | 13.90 |
| Xerox | | | | |
| 10⅞ March 1993 | 83¼ | 13.80 | 83⅞ | 13.85 |
| Diamond Shamrock | | | | |
| 10⅜ May 1993 | 83⅝ | 13.95 | 83⅛ | 14.00 |
| Federated Dept Stores | | | | |
| 10⅞ May 2013 | 76⅝ | 13.95 | 76⅝ | 13.95 |
| Abbot Lab | | | | |
| 11.80 Feb 2013 | 85 | 13.95 | 85 | 13.95 |
| Alcoa | | | | |
| 12¼ Dec 2012 | 85⅝ | 14.25 | 85⅝ | 14.25 |

FINANCIAL FUTURES

| CHICAGO | Latest | High | Low | Prev |
|---|---|---|---|---|
| **U.S. Treasury Bonds (CBT)** | | | | |
| 8% 32nds of 100% | | | | |
| June | 61–28 | 62–15 | 61–23 | 62–13 |
| **U.S. Treasury Bills (IMM)** | | | | |
| $1m points of 100% | | | | |
| June | 90.28 | 90.37 | 90.27 | 90.27 |
| **Certificates of Deposit (IMM)** | | | | |
| $1m points of 100% | | | | |
| June | 88.75 | 88.84 | 88.75 | 88.77 |
| **LONDON** | | | | |
| **Three-month Eurodollar** | | | | |
| $1m points of 100% | | | | |
| June | 88.71 | 88.78 | 88.70 | 88.75 |
| **20-year Notional Gilt** | | | | |
| £50,000 32nds of 100% | | | | |
| June | 104–20 | 105–24 | 104–21 | 105–20 |

COMMODITIES

| (London) | June 6 | Prev |
|---|---|---|
| Silver (spot fixing) | 666.10p | 668.10p |
| Copper (cash) | £1005.75 | £1006.25 |
| Coffee (July) | £2181.50 | £2193.00 |
| Oil (spot Arabian light) | $28.40 | $28.40 |

LONDON

## Enthusiasm runs out of steam

REMOVAL of the immediate threat of higher bank lending rates generated early enthusiasm for gilt-edged stocks in London yesterday, and equities received a boost too.

However, government securities ended lower following official sales of the £600m quartet of taplets made available to the market on Monday.

A disappointing opening in the U.S. bond market also left the market easier and by the close, longer-dated stocks had settled ½ down in places. Shorter maturities were also volatile but closed with fractional movements in each direction.

Selected low coupon issues found some specialist demand, which brought improvements extending to ¼.

The receding fears of higher interest rates took the FT Industrial Ordinary share index up more than 8 points by mid-morning. But trading became patchy later, and the index closed a net 6.4 higher at 846.5.

The uncertain trend in bullion prices was largely ignored by the market in South African gold issues, which tended to consolidate after Tuesday's setback.

Financials were generally subdued although Anglo-American Corporation added another £¼ to £13¾ on further consideration of its record profits and increased dividend.

*Chief price changes, Page 38; Details, Page 39; Share information service, Pages 40–41*

HONG KONG

LITTLE movement was seen in Hong Kong shares in very quiet trading. The Hang Seng index dipped 0.32 to 932.12 at the close of the half-day midweek session.

Suspension of trading the previous day in Associated Hotels, which operates the Hyatt Regency Hotel in Hong Kong, had little impact on the market. Associated had said that its major shareholder, the Tien Teck group, had withdrawn from a plan to provide support of about HK$110m. As a result, Associated had to give its creditor banks a floating charge over its major hotel assets.

SINGAPORE

SELECTIVE buying interest and profit-taking left shares mixed in Singapore.

The Straits Times industrial index added 1.98 to 947.45, although volume slowed from Tuesday's level due to the closure for a public holiday of Singapore's sister exchange in Kuala Lumpur.

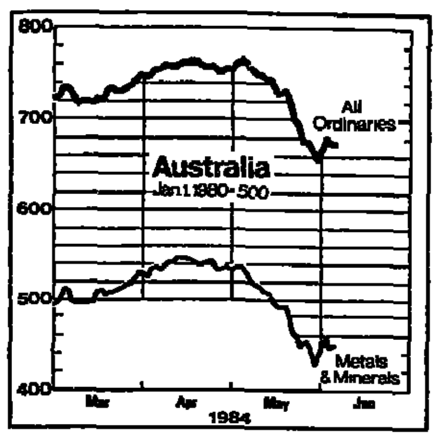
Pan Electric was the most actively traded stock and added 3 cents to S$2.01. Among other actives, Pahang Consolidated rose 2 cents to S$1.57 but Development Bank shed 5 cents to S$8.85.

SOUTH AFRICA

AN EASIER world bullion price left gold shares broadly lower in Johannesburg, though trading was relatively quiet.

Kloof lost 85 cents to R70.50, while Grootvlei fell 50 cents to R18.25.

De Beers and Rustenburg Platinum each eased 15 cents to R8.95 and R14.75 respectively.




AUSTRALIA

## Positive factors set aside

THE RECOVERY in Sydney shares from the 10-month low recorded last Thursday was again halted yesterday as investors failed to find good reasons for buying in the overnight performances of London and Wall Street.

The All Ordinaries index slipped 1 point to 673.7, after Tuesday's 6.8 dip which had followed a 26.7 rally in the two previous trading sessions. The metals and Minerals index, though, was 1 point ahead on the day at 449.3.

The market was once again ignoring positive factors such as lower domestic interest rates and the expanding economy, as indicated in the latest GDP figures.

Trading was also complicated by the approach of the fiscal year-end on June 30, with tax considerations keeping some of the major institutions out of the market.

Investors were also kept on the sidelines on uncertainty over whether the world's equity markets are in for another round of declines.

Like so many others, the Sydney market saw an early peak to the year, with the All Ordinaries index reaching 787.9 on January 9.

However, it suffered a bad month in May when more than 100 points were wiped from the index.

In trading yesterday, gold mines were steady despite easier world bullion prices and industrials were little changed.

Among diversified resource issues, BHP shed 10 cents to A$9.74 ex-dividend, CSR 2 cents to A$3.08 and Peko 5 cents to A$4.50.

Banks were mixed with National Bank down 7 cents to A$3.08 and Westpac 5 cents easier at A$3.70, but ANZ edged 2 cents forward to A$5.14.

TOKYO

## Uncertainty all but pervasive

BIOTECHNOLOGY based pharmaceuticals and related issues dominated buying in Tokyo yesterday, *writes Shigeo Nishiwaki of Jiji Press.*

Otherwise, investors were preoccupied with slides on major stock exchanges abroad and growing uncertainty about the Middle East situation.

The Nikkei-Dow market average relinquished 4.56 to 10,254.20 in relatively heavy trading of 389.88m shares, although down slightly from the previous day's 395.01m.

Buying interest among investors, already nervous at the three-day climb in the Nikkei-Dow index, was dampened by overnight declines on Wall Street and London and the worsening conflict in the Middle East.

However, biotechnology-related stocks were traded actively. Kuraray again received a fillip from its continuing development of a new anti-cancer drug, with 29.69m shares changing hands. The stock topped the active list for the third successive session, jumping Y31 to Y696.

Shionogi also continued to attract interest with the development of a biotechnology-based drug for diabetes, gaining Y2 to Y770.

Buyers were also attracted to some drug companies seeking to develop new biotechnology-based anti-cancer drugs, as well as food and certain other companies diversifying into pharmaceuticals.

Onoda Cement added Y11 to Y292, Meiji Milk Products Y35 to Y441, and Taiyo Fishery Y8 to Y198.

The bond market weakened as the yen slid to the Y231 level against the U.S. dollar and bond prices in the U.S. fell back. The yield on the benchmark 7.5 per cent long-term government bond, due in January 1993, rose on small-lot selling to 7.44 per cent from Tuesday's 7.39 per cent.

CANADA

EARLY gains in Toronto energy issues soon began to be eroded, contributing to a dull tone in other sectors such as property issues and golds.

The inability to make any marked progress also extended to Montreal.

EUROPE

## A marked resistance to change

IMPETUS to embark on any clear trading direction was almost entirely lacking on the European bourses yesterday, and about the most notable aspect of the thinly attended sessions was a reluctance to shift leading share values much either side of their overnight levels.

Firmness in the dollar and a weak showing the previous afternoon on Wall Street exerted their usual restraining influence. With this being compounded by clashes in the Gulf, and such domestic factors as continuing labour unrest in West Germany and political uncertainties in Italy, the markets could be said to have held up reasonably well.

Largely underpinning prices was the stockpile of healthy corporate results which the bourses have accumulated over the course of the year, and which investors in the traditionally less volatile continental markets have been able to draw on as emergency feedstuff when the larger centres abroad are going through a jittery phase.

Despite the increasingly insistent noises being made particularly by London brokers about the cheapness of many top-line stocks on the bourses, though, investors seemed resigned yesterday to a longer haul through a period of consolidation and little else.

Among the best of the profits performances has come from companies quoted in **Amsterdam** – being touted by some analysts as Europe's cheapest market – but stocks there continued to languish yesterday well below their peaks for the year.

Akzo, for example, eased 20 cents and was typical of the day's marginal movements. But its close at Fl 89 compares with a 1984 high of Fl 123.20.

Banks in the Netherlands and elsewhere remained disturbed by Latin American debt woes, and ABN shed Fl 3 to Fl 333 – again dwarfed by its ear's peak of Fl 445. It now stands just a guilder above its low for the period.

Dutch internationals were somewhat better favoured. Royal Dutch, amid the Gulf uncertainties and the completion of its U.S. share buy-in, gained Fl 1.90 at Fl 157.

Domestic bonds were quietly traded but steady.

For West Germany, attention was focused less on **Frankfurt** than on Stuttgart to the south, where talks were in progress on the 35-hour week dispute.

Daimler-Benz added DM 5 to DM 569 and Porsche DM 1 to DM 998, but VW was unaltered at DM 191.

On the chemicals side, Hoechst, moving ex its DM 7 dividend, finished at DM 167.50. The effective DM 2 loss on the day could be attributed partly to Tuesday's warning by its chairman about the effects on profitability of the current strike campaign.

Degussa, detailing its results, advanced DM 2.80 to DM 382.

Deutsche Bank, with a greater international exposure than most of its domestic rivals, slipped DM 1 to DM 348.50 against a generally firmer trend in the sector.

In a narrowly fluctuating bond market, the Bundesbank managed to sell DM 15.8m of public paper.

Quiet **Paris** dealings left Schneider FFr 5.90 stronger at FFr 89 as it held out against any greater involvement in Creusot Loire – itself unchanged at FFr 26.70.

In the oils sector, in addition to the Gulf implications, corporate announcements came late in the day from both Elf Aquitaine, FFr 2.50 lower at FFr 265 as it issued earnings projections, and Cie Française des Petroles, off FFr 3 at FFr 310 ahead of a one-for-eight rights issue priced at FFr 240.

Parliamentary wrangles depressed **Milan**, where one of the few firm spots was Olivetti – L49 above its overnight L5,000 level and reported to be as a result of the company buying in its own shares. Montedison shed L6 to L217 ahead of the annual meeting, and the bond market eased too.

Banks in **Zurich** weakened again, with UBS off SwFr 25 at SwFr 3,330 as one of the few active issues. Industrials and domestic bonds were barely changed. **Brussels** was similarly quiet, although Petrofina added BFr 90 at BFr 6,890 – still below its pre-weekend BFr 6,970, however.

**Stockholm**, fearing a battle over wage increases in industry, drifted lower with Volvo off SKr 10 at SKr 491. **Oslo** also fared poorly but **Copenhagen** managed widespread gains, as did **Madrid.**

# NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

| 12 Month High | 12 Month Low | Stock | Div. | Yld. | P/E | Sls 100s | High | Low | Close Quote | Ch'ge Prev. Close |
|---|---|---|---|---|---|---|---|---|---|---|
| 20½ | 13¼ | AAR | .44 | 2.2 | 20 | 13 | 19⅝ | 19½ | 19⅝ | |
| 53⅝ | 31½ | ACF | 1.40 | 2.6 | 143 | 115 | 53¼ | 53 | 53 | -⅛ |
| 22 | 15½ | AMCA | n | 1.6 | 1 | 1 | 16½ | 16½ | 16½ | |
| 18⅞ | 13⅛ | AMF | .50 | 3.2 | | 229 | 15¾ | 15⅛ | 15⅝ | +⅛ |
| 41¼ | 26⅝ | AMR Cp | | | 5 | 6852 | 33¾ | 32¾ | 33½ | +⅝ |
| 20¾ | 17½ | AMR | pf2.18 | 11. | | 18 | 20⅛ | 20 | 20 | -⅛ |
| 41½ | 29⅝ | AMR | pf2.13 | 5.9 | | 199 | 35⅞ | 34¾ | 35⅞ | +1 |
| 16¾ | 8¼ | APL | | | 4 | 5 | 11½ | 11½ | 11½ | -⅛ |
| 55¼ | 40¾ | ARA | 2.10 | 4.7 | 9 | 231 | 45¼ | 43¾ | 44⅞ | +⅛ |
| 73 | 50¼ | ASA | 3e | 4.7 | | 732 | 64½ | 64 | 64⅛ | -¼ |
| 33¼ | 17 | AVX | s .32 | 1.5 | 15 | 80 | 21 | 20½ | 20⅞ | +⅛ |
| 53⅞ | 38¾ | AbtLab | 1.20 | 2.8 | 15 | 3628 | 43½ | 42 | 43⅛ | +⅛ |
| 30½ | 23¼ | AccoWd | .60 | 2.3 | 17 | 79 | 26½ | 26¼ | 26½ | |
| 27½ | 18¼ | AcmeC | .40 | 2.2 | | 12 | 18½ | 18⅛ | 18⅛ | -⅛ |
| 13 | 8⅛ | AcmeE | .32b | 3.5 | 25 | 6 | 9⅛ | 9⅛ | 9⅛ | -⅛ |
| 24⅞ | 11 | AdmDg | .04 | .3 | 7 | 23 | 11⅞ | 11¾ | 11¾ | -⅛ |
| 18⅝ | 15¼ | AdaEx | 2.11e | 14. | | 60 | 15½ | 15¼ | 15½ | |
| 19⅛ | 11¾ | AdmMl | .28 | 1.7 | 8 | 9 | 16⅝ | 16¼ | 16¼ | +⅛ |
| 22 | 13½ | AdvSys | .81t | 5.4 | 15 | 102 | 15½ | 15 | 15⅛ | -⅛ |
| 10½ | 6¾ | Advest | .12 | 1.4 | 11 | 35 | 8⅝ | 8⅝ | 8½ | |
| 37½ | 25¼ | AMD | s | | 26 | 2220 | 32¼ | 31½ | 32⅛ | +½ |
| 24⅞ | 9⅝ | Aeroflex | | | 10 | 58 | 11 | 10¾ | 11 | +¼ |
| 42⅝ | 30¾ | AetnLf | 2.64 | 8.5 | 16 | 1189 | 31¼ | 30½ | 31⅛ | -⅛ |
| 59¼ | 54⅝ | AetL | pf4.04e | 7.6 | | 452 | 57⅞ | 57½ | 57¼ | +⅛ |
| 35⅞ | 15¼ | Ahmns | 1.20 | 6.2 | 5 | 852 | 19⅝ | 19 | 19½ | -¼ |
| 7⅞ | 3⅛ | Aileen | | | | 31 | 3⅝ | 3½ | 3½ | -⅛ |
| 51 | 36½ | AirPrd | 1 | 2.3 | 10 | 525 | 43 | 42½ | 42⅝ | -⅛ |
| 30⅞ | 15 | AirbFrt | .60 | 2.9 | 12 | 63 | 20⅞ | 20⅛ | 20⅝ | |
| 3⅞ | 1⅛ | AlMoa | s | | | 37 | 3⅛ | 3⅛ | 3⅛ | |

Continued on Page 37

# AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

*Closing prices June 6*

Continued on Page 38

# NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued from Page 36

X—Y—Z

| 12 Month High | Low | Stock | Div. Yld. P/E | Sls 100s | High | Low | Close Quote | Ch'ge Prev. Close |
|---|---|---|---|---|---|---|---|---|
| 52¼ | 36¾ | Xerox | 3 7.9 9 | 1120 | 37⅞ | 37¼ | 37⅝ | +⅛ |
| 51¼ | 45½ | Xerox | pf5.45 12 | 12 | 45¾ | 45⅝ | 45¾ | |
| 37 | 21⅝ | YTRA | 2.6 10 | 9 | 24¼ | 23⅝ | 24¼ | +⅝ |
| 34 | 24 | ZaleCp | 1.26 4.9 8 | 7 | 25½ | 25¼ | 25½ | +¼ |
| 24⅝ | 15½ | Zapata | .84 3.8 13 | 257 | 22¼ | 22 | 22¼ | |
| 47½ | 28¼ | Zayre | s .40b 1.1 11 | 1324 | 37 | 35½ | 37 | +½ |
| 38⅝ | 23⅝ | ZenithE | 11 | 549 | 27 | 26½ | 26⅝ | −½ |
| 27⅝ | 18 | Zero | s .36 1.8 15 | 58 | 19½ | 18⅝ | 19½ | +⅞ |
| 37⅝ | 21⅛ | Zurnin | 1.32 5.8 12 | 55 | 22¾ | 22¼ | 22¾ | +¼ |

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a—dividend also extra(s). b—annual rate of dividend plus stock dividend. c—liquidating dividend. cld—called. d—new yearly low. e—dividend declared or paid in preceding 12 months. g—dividend in Canadian funds, subject to 15% non-residence tax. i—dividend declared after split-up or stock dividend. j—dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k—dividend declared or paid this year, an accumulative issue with dividends in arrears. n—new issue in the past 52 weeks. The high-low range begins with the start of trading. nd—next day delivery. P/E—price-earnings ratio. r—dividend declared or paid in preceding 12 months, plus stock dividend. s—stock split. Dividends begins with date of split. sls—sales. t—dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u—new yearly high. v—trading halted. vi—in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd—when distributed. wi—when issued. ww—with warrants. x—ex-dividend or ex-rights. xdis—ex-distribution. xw—without warrants. y—ex-dividend and sales in full. yld—yield. z—sales in full.

# WORLD STOCK MARKETS

## AUSTRIA

| June 6 | Price Schs | + or − |
|---|---|---|
| Creditanstalt | 210 | ..... |
| Goesser | 332 | +1 |
| Interunfall | 407 | ..... |
| Laenderbank | 205 | +1 |
| Perlmooser | 360 | −3 |
| Steyr-Daimler | 145 | ..... |
| Veitscher Mag | 217 | ..... |

## BELGIUM/LUXEMBOURG

| June 6 | Price Frs. | + or − |
|---|---|---|
| ARBED | 1,635 | −15 |
| Banq Int A Lux | 5,000 | ..... |
| Bekaert B | 4,000 | ..... |
| Ciment CBR | 2,340 | +5 |
| Cockerill | 298 | −8 |
| Delhaize | 5,000 | +110 |
| EBES | 2,495 | ..... |
| Electrobel | 6,790 | +30 |
| Fabrique Nat | 1,940 | −5 |
| GB Inno BM | 3,095 | −30 |
| GBL (Brux) | 2,350 | +10 |
| Gevaert | 3,220 | +20 |
| Hoboken | 6,500 | ..... |
| Intercom | 1,895 | ..... |
| Kredietbank | 7,260 | +10 |
| Pan Hldgs | 9,850 | ..... |
| Petrofina | 6,890 | +80 |
| Royale Belge | 9,000 | ..... |
| Soc. Gen. Banq | 3,115 | −45 |
| Soc. Gen. Belge | 1,770 | −30 |
| Sofina | 6,000 | ..... |
| Solvay | 4,020 | −80 |
| Tractionel | 3,430 | −65 |
| UCB | 4,650 | +25 |
| Vieille Mont | 3,950 | ..... |

## DENMARK

| June 6 | Price Knr % | + or − |
|---|---|---|
| Aarhus Olie | 420 | +40 |
| Andelsbanken | 239 | +6 |
| Baltic Skand | 680 | +30 |
| CopHandelsbank | 243 | +6 |
| D. Sukkerfab | 655 | +10 |
| Danske Bank | 237 | +4 |
| East Asiatic | 178 | −2 |
| Forenede Brygg. | 920 | +65 |
| Forenede Damp. | 161 | ..... |
| GNT Hldg | 515 | +35 |
| I.S.S.B. | 530 | +20 |
| Jyske Bank | 545 | +15 |
| Novo Ind | 2,270 | +50 |
| Privatbanken | 240 | +2 |
| Provinsbanken | 319 | +2 |
| Smidth (F) | 229 | +3 |
| Sophus Berend. | 1,030 | ..... |
| Superfos | 480 | +14 |

## FRANCE

| June 6 | Price Frs. | + or − |
|---|---|---|
| Emprunt 4½% 1973 | 1,827 | −8 |
| Emprunt 7% 1973 | 9,870 | −60 |
| CNE 3% | 3,640 | +15 |
| Air Liquide | 631 | −1 |
| BIC | 406 | −0.5 |
| Bouygues | 645 | −5 |
| BSN Gervais | 2,575 | +124 |
| CIT-Alcatel | 1,329 | +4 |
| Carrefour | 1,280 | +15 |
| Club Mediter'n | 882 | −4 |
| CFAO | 625.5 | −14.5 |
| Cie Bancaire | 487 | +1 |
| Cofimeg | 237 | −1 |
| Creusot Loire | 26.7 | ..... |
| Darty | 928 | +7 |
| Dumez S.A. | 675 | +8 |
| Eaux (Cie Gen) | 534 | −6 |
| Elf-Aquitaine | 265 | −2.5 |
| Gen. Occidentale | 633 | +13 |
| Imetal | 96.7 | +1.5 |
| Lafarge Coppee | 354 | +2.5 |
| L'Oreal | 3,415 | −15 |
| Legrand | 1,890 | +25 |
| Maisons Phenix | 215 | −2.5 |
| Matra S.A. | 1,417 | −15 |
| Michelin B | 770 | −10 |
| Midi (Cie) | 1,620 | −30 |
| Moet-Hennessy | 1,520 | −14 |
| Moulinex | 98.1 | ..... |
| Nord Est | 61.1 | −0.4 |
| Pernod Ricard | 780 | ..... |
| Perrier | 515 | ..... |
| Petroles Fra. | 310 | −3 |
| Peugeot S.A. | 227 | −1 |
| Poclain | 40 | −0.3 |
| Printemps Au | 153.8 | +0.3 |
| Radiotech | 291.5 | −5.5 |
| Redoute | 1,160 | ..... |
| Roussel-Uclaf | 1,168 | +6 |
| Schneider S.A. | 89 | +5.9 |
| Sefimeg | 266 | +1 |
| Skis Rossignol | 1,338 | ..... |
| Telemech Elect | 1,570 | −28 |
| Thompson (CSF) | 300 | ..... |
| Valeo | 241 | ..... |

## GERMANY

| June 6 | Price Dm. | + or − |
|---|---|---|
| AEG-Telef | 97.3 | −0.4 |
| Allianz Vers | 762 | −8 |
| BASF | 165.2 | +0.9 |
| Bayer | 169.7 | +0.5 |
| Bayer-Hypo | 279 | +0.8 |
| Bayer-Verein | 334 | +4 |
| BHF-Bank | 266 | −2 |
| BMW | 386.5 | +2.5 |
| Brown Boveri | 215 | −15 |
| Commerzbank | 159.5 | +0.8 |
| Cont'l. Gummi. | 123.9 | −0.6 |
| Daimler-Benz | 569 | +5 |
| Degussa | 382 | +2.8 |
| D'sche Babcoc | 155.5 | −0.5 |
| Deutsche Bank | 348.5xd | −1 |
| Dresdner Bankk. | 156 | ..... |
| GHH | 147 | ..... |
| Hochtief | 550 | +10 |
| Hoechst | 167.5 | −9 |
| Hoesch Werke | 115.5 | +1.3 |
| Holzmann (P) | 422 | ..... |
| Horten | 195.5 | −0.5 |
| Kali und Salz | 201 | −3 |
| Karstadt | 256.8 | −0.2 |
| Kaufhof | 229.7 | −0.7 |
| KHD | 247 | −0.9 |
| Kloeckner | 61.8 | +0.3 |
| Krupp | 78 | ..... |
| Linde | 366 | −1.1 |
| Lufthansa | 137 | +0.5 |
| MAN | 145.5 | ..... |
| Mannesmann | 141.4 | +0.4 |
| Mercedes Hld | 495.5 | −0.5 |
| Metallgesell | 230 | +0.5 |
| Muench Rueck | 1,015 | +5 |
| Preussag | 268 | −1 |
| Rhein West Elect | 160.5 | −0.5 |
| Rosenthal | 232 | ..... |
| Schering | 332 | −1.5 |
| Siemens | 389 | +2.2 |
| Thyssen | 84.7 | +0.2 |
| Varta | 174 | −3 |
| Veba | 166.3 | −0.6 |
| V.E.W | 120.1 | −0.4 |
| Verein-West | 298 | ..... |
| Volkswagen | 191 | ..... |

## ITALY

| June 6 | Price Lira | + or − |
|---|---|---|
| Banca Com'le | 33,000 | −9 |
| Bastogi-IRBS | 120 | −4 |
| Centrale | 2,270 | −74 |
| Credito Varesino | 4,105 | −60 |
| Fiat | 3,845 | −54 |
| Finsider | 35.2 | ..... |
| Generali Assicur | 34,150 | −270 |
| Invest | 3,222 | −14 |
| Italcementi | 45,100 | −410 |
| Montedison | 217 | −6 |
| Olivetti | 5,049 | +49 |
| Pirelli Co | 2,510 | −47 |
| Pirelli Spa | 1,473 | −12 |
| Snia BPD | 1,470 | −17 |
| Toro Assic. | 11,290 | −100 |
| do. Pref. | 8,501 | −149 |

## NETHERLANDS

| June 6 | Price Fls | + or − |
|---|---|---|
| ACF Holding | 164 | ..... |
| AEGON | 119.5 | −0.5 |
| Ahold | 175.5 | ..... |
| AKZO | 89 | −0.2 |
| ABN | 333 | −3 |
| AMEV | 147.5 | −1.3 |
| AMRO | 59.5 | +0.3 |
| Bredero Cert | 176.5 | −0.5 |
| Bos Kalis Westm. | 32.3 | ..... |
| Buehrmann-Tet. | 67.2 | +0.5 |
| Calland Hldgs. | 35.7 | ..... |
| Credit Lyon'is Bk | 49.5 | −2.5 |
| Elsevier-NDU | 79.5 | −0.5 |
| Gist. Brocades | 134 | −0.2 |
| Heineken | 126 | −0.5 |
| Hoogovens | 52.6 | −0.3 |
| Hunter Douglas | 27.5 | −1.0 |
| Int Mueller | 37 | −0.3 |
| KLM | 161.5 | −3.0 |
| Naarden | 37.2 | −1.5 |
| Nat Ned Cert | 198.8 | −1.2 |
| Ned. Credit Bank | 40 | ..... |
| Ned Mid Bank | 128.5 | −1 |
| Nedlloyd | 112 | −1 |
| Oce Grinten | 230 | −1 |
| Ommeren (Van) | 26.8 | +0.2 |
| Pakhoed | 60.8 | ..... |
| Philips | 44.7 | ..... |
| Rijn-Schelde | 3.4 | ..... |
| Robeco | 61.4 | +0.1 |
| Rodamco | 136.5 | +0.3 |
| Rolinco | 58.5 | ..... |
| Rorento | 200.2 | −0.4 |
| Royal Dutch | 157 | +1.9 |
| Unilever | 245.4 | +3.4 |
| VMF Stork | 114.5 | −0.5 |
| VNU | 143.8 | −2.7 |
| West Utr Bank | 86 | −1.6 |

## NORWAY

| June 6 | Price Kroner | + or − |
|---|---|---|
| Bergen Bank | 167 | +2 |
| Borregaard | 277.5 | −5.5 |
| Christiania Bk. | 170 | −1 |
| Den Norsk Credit | 160 | −2 |
| Elkem | 138 | −7 |
| Norsk Data | 300 | −10 |
| Norsk Hydro | 687 | +7 |
| Storebrand | 210 | −4 |

## SPAIN

| June 6 | Price Pts % | + or − |
|---|---|---|
| Bco Bilbao | 325 | +2 |
| Bco Central | 332 | ..... |
| Bco Exterior | 204 | +2 |
| Bco Hispano | 251 | +1 |
| Bco Santander | 306 | +1 |
| Bco Vizcaya | 375 | +2 |
| Dragados | 156 | −6 |
| Hidrola | 52.5 | +1 |
| Iberduero | 61.7 | +1.5 |
| Petroleos | 127 | +1 |
| Telefonica | 84.5 | +2.5 |

## SWEDEN

| June 6 | Price Kronor | + or − |
|---|---|---|
| AGA | 340 | ..... |
| Alfa-Laval | 331 | −2 |
| ASEA (Free) | 297 | −3 |
| Astra (Free) | 395 | −5 |
| Atlas Copco | 117 | −2 |
| Boliden | 390 | −2 |
| Cardo (Free) | 390 | +10 |
| Cellulosa | 139 | −7 |
| Electrolux B | 249 | −4 |
| Ericsson | 303 | −1 |
| Esselte | 290 | ..... |
| Mo Och Domsjo | 370xa | −5 |
| Pharmacia | 240 | −6 |
| Saab-Scania | 398 | −6 |
| Sandvik | 400 | ..... |
| Skandia | 365 | ..... |
| Skan Enskilda | 330 | ..... |
| SKF | 183 | −3 |
| St. Kopparbergs | 656 | −9 |
| Sven Handelsbn. | 190 | −2 |
| Swedish Match | 225 | −2 |
| Volvo B (Free) | 491 | −10 |

## SWITZERLAND

| June 6 | Price Frs. | + or − |
|---|---|---|
| Alusuisse | 782 | +12 |
| Bank Leu | 3,825 | −5 |
| Brown Boveri | 1,305 | ..... |
| Ciba Geigy | 2,190 | −15 |
| do. (Part Certs) | 1,680 | −20 |
| Credit Suisse | 2,175 | −5 |
| Elektrowatt | 2,490 | −20 |
| Fischer (Geo.) | 593 | −3 |
| Genevoise | 3,750 | +50 |
| Hoff-Roche PtCts | 101,750 | +1,125 |
| Hoff-Roche 1/10 | 10,200 | +125 |
| Jacobs Suchard | 6,375 | −50 |
| Jelmoli | 1,820 | ..... |
| Landis & Gyr | 1,310 | −30 |
| Nestle | 5,020 | −30 |
| Oer-Buehrle | 1,215 | ..... |
| Pirelli | 250 | ..... |
| Sandoz (Br) | 6,600 | ..... |
| Sandoz (PtCts) | 965 | +9 |
| Schindler (PtCts) | 565 | ..... |
| Swissair | 940 | 10 |
| Swiss Bank | 335 | ..... |
| Swiss Reinsce. | 7,900 | ..... |
| Swiss Volksbk. | 1,390 | −10 |
| Union Bank | 3,330 | −25 |
| Winterthur | 2,925 | −15 |
| Zurich Ins. | 17,150 | −50 |

## AUSTRALIA

| June 6 | Price Aust $ | + or − |
|---|---|---|
| ANZ Group | 5.14 | +0.02 |
| Acrow Aust. | 1.55 | ..... |
| Alliance Oil D. | 0.57 | −0.03 |
| Ampol Pet | 1.51 | −0.03 |
| Aust Cons Ind | 1.72 | +0.01 |
| Aust. Guarant | 2.45 | ..... |
| Aust. Nat. Inds. | 2.03 | −0.02 |
| Aust. Paper | 1.97 | −0.03 |
| Bell Group | 4.25 | −0.05 |
| Bond Corp Hldgs | 1.3 | −0.05 |
| Boral | 3.14 | −0.04 |
| B'ville Copper | 2.1 | ..... |
| Brambles Inds | 2.65 | −0.07 |
| Bridge Oil | 2.35 | −0.02 |
| BHP | 9.74xd | −0.1 |
| CRA | 5 | +0.02 |
| CSR | 3.08 | −0.02 |
| Carlton Utd | 4.3 | +0.1 |
| Castlemaine Tys. | 4.22 | −0.03 |
| Coles (G.J.) | 3.52 | ..... |
| Comalco "A" | 2.45 | −0.05 |
| Consolidated Pet | 0.54 | ..... |
| Costain Aust. | 1.18 | −0.02 |
| Dunlop Aust. | 1.58 | +0.02 |
| E.Z. Inds. | 4.45 | −0.1 |
| Elders IXL | 3.68 | −0.04 |
| Energy Res | 1.43 | ..... |

## AUSTRALIA (continued)

| June 6 | Price Aust. $ | + or − |
|---|---|---|
| Gen Prop Trust | 2.05 | +0.02 |
| Hardie (J.) | 2.98 | −0.05 |
| Hartogen Energy | 2.15 | −0.07 |
| HeraldW'y Times | 3.12 | −0.03 |
| ICI Aust | 1.9 | ..... |
| Jimb'lana 50cFP | 0.25 | ..... |
| Kia Ora Gold | 0.15 | ..... |
| Lend Lease | 4.6 | −0.02 |
| MIM | 2.88 | +0.03 |
| Mayne Nickless | 2.25 | −0.05 |
| Meekatharra | 0.57 | ..... |
| Myer Emp. | 1.68 | −0.02 |
| Nat. Com. Bk. | 3.08 | −0.07 |
| News | 9.1 | −0.1 |
| Nicholas Kiwi | 2.55 | ..... |
| North Bkn Hill | 2.35 | ..... |
| Oakbridge | 0.85 | −0.03 |
| Otter Expl | 0.6 | ..... |
| Pancont'l | 1.18 | −0.02 |
| Pioneer Conc | 1.38 | −0.02 |
| Queensland Coal | 0.99 | ..... |
| Reckitt & Coln | 2.55 | ..... |
| Repco | 1.12 | −0.02 |
| Santos | 5.86 | +0.06 |
| Smith (H.) | 3.4 | −0.05 |
| Southland Min'g. | 0.34 | ..... |
| Spargos Expl | 0.4 | ..... |
| Thos. Natwide | 1.6 | ..... |
| Tooth | 5.3 | ..... |
| Vamgas | 2.8 | −0.1 |
| Western Mining | 3.4 | +0.04 |
| Westpac | 3.7 | −0.05 |
| Woodside Petrol. | 1.1 | ..... |
| Woolworths | 2.27 | −0.01 |
| Wormald Intl | 2.75 | −0.05 |

## HONG KONG

| June 6 | Price H.K.$ | + or − |
|---|---|---|
| Bank East Asia | 22.3 | +0.3 |
| Cheung Kong | 8.45 | ..... |
| China Light | 11.5 | ..... |
| Hang Lung Devel | 2.35 | ..... |
| Hang Seng Bank | 34 | ..... |
| HK Electric | 5.65 | +0.05 |
| HK Kowloon Wh. | 3.6 | ..... |
| HK Land | 2.95 | ..... |
| HK Shanghai Bk. | 6.3 | ..... |
| HK Telephone | 43.5 | +1.5 |
| Hutchison Wpa | 11.5xa | −0.1 |
| Jardine Math | 8.9 | ..... |
| New World Dev | 3.1 | ..... |
| Orient O'seas | 2.4 | ..... |
| O'seas Trust Bk. | 2.92 | +0.02 |
| SHK Props | 6.25 | ..... |
| Swire Pac A | 16.1 | +0.1 |
| Wheel'k Mard A | 3.17 | ..... |
| Wheel'k M'time | 1.9 | ..... |
| World Int. Hldgs. | 1.94 | ..... |

## JAPAN

| June 6 | Price Yen | + or − |
|---|---|---|
| Ajinomoto | 1,160 | ..... |
| Alps Electric | 2,080 | +20 |
| Amada | 1,110 | −10 |
| Asahi Chem | 575 | −10 |
| Asahi Glass | 725 | +17 |
| Bridgestone | 675 | +5 |
| Canon | 1,190 | +10 |
| Casio Comp. | 1,350 | +50 |
| Chugai Pharm | 1,020 | −20 |
| Citizen | 498 | ..... |
| Daiei | 675 | +1 |
| Dai Nippon Ptg | 928 | +7 |
| Daiwa House | 495 | +5 |
| Ebara | 311 | −1 |
| Eisai | 1,000 | ..... |
| Fanuc | 8,300 | +40 |
| Fuji Bank | 900 | ..... |
| Fuji Film | 1,470 | −30 |
| Fujisawa | 859 | +19 |
| Fujitsu | 1,200 | −10 |
| Green Cross | 1,780 | −20 |
| Hasegawa | 382 | +17 |
| Heiwa Real Est. | 566 | −9 |
| Hitachi | 846 | +3 |
| Hitachi Credit | 1,560 | −90 |
| Honda | 1,160 | −20 |
| House Food | 758 | −2 |
| Hoya | 1,770 | −60 |
| Itoh (C) | 306 | +6 |
| Ito-Yokado | 1,820 | −20 |
| Iwatsu | 1,530 | −30 |
| JACCS | 340 | ..... |
| JAL | 3,380 | +80 |
| Jusco | 801 | +1 |
| Kajima | 290 | −8 |
| Kao Soap | 767 | +7 |
| Kashiyama | 612 | +1 |
| Kirin | 584 | +6 |
| Kokuyo | 1,000 | −10 |
| Komatsu | 486 | −4 |
| Konishiroku | 584 | ..... |
| Kubota | 310 | −3 |
| Kumagai | 445 | ..... |
| Kyoto Ceramic | 6,000 | +20 |
| Maeda Const. | 520 | +7 |
| Makino Milling | 1,190 | −10 |
| Makita | 960 | −8 |
| Marubeni | 374 | −18 |
| Marudai | 622 | ..... |
| Marui | 1,090 | ..... |
| MEI | 1,710 | −20 |
| M'ta Elec Works | 700 | +20 |
| M'bishi Bank | 870 | −20 |
| M'bishi Corp. | 540 | +12 |
| M'bishi Elec. | 380 | −6 |
| M'bishi Estate | 490 | −11 |

## JAPAN (continued)

| June 6 | Price Yen | + or − |
|---|---|---|
| MHI | 255 | ..... |
| Mitsui Co | 348 | +2 |
| Mitsui Estate | 670 | −15 |
| Mitsukoshi | 397 | +11 |
| NGK Insulators | 720 | −18 |
| Nihon Cement | 200 | ..... |
| Nippon Denso | 1,440 | −20 |
| Nippon Elect. | 1,180 | −20 |
| Nippon Express | 303 | −5 |
| Nippon Gakki | 601 | −9 |
| Nippon Kokan | 146 | ..... |
| Nippon Oil | 1,030 | −40 |
| Nippon Seiko | 510 | −10 |
| Nippon Shimpan | 528 | −8 |
| Nippon Steel | 163 | +1 |
| Nippon Suisan | 331 | +6 |
| NTV | 11,800 | −400 |
| Nippon Yusen | 230 | ..... |
| Nissan Motor | 624 | −8 |
| Nisshin Flour | 465 | −6 |
| Nisshin Steel | 196 | −4 |
| Nomura | 710 | −8 |
| Olympus | 847 | −3 |
| Omron Tateisi | 1,710 | ..... |
| Orient Leasing | 3,330 | +70 |
| Pioneer | 2,560 | −60 |
| Renown | 640 | +1 |
| Ricoh | 897 | −8 |
| Sankyo | 720 | +12 |
| Sanyo Elect. | 475 | −6 |
| Sapporo | 434 | +4 |
| Sekisui Prefab | 610 | +31 |
| Seven-Eleven | 8,500 | −50 |
| Sharp | 1,050 | −10 |
| Shimadzu | 520 | ..... |
| Shionogi | 770 | +2 |
| Shiseido | 1,040 | −10 |
| Sony | 3,200 | −60 |
| Stanley | 661 | −13 |
| S'tmo Bank | 1,010 | +20 |
| S'tomo Elect | 625 | −15 |
| S'tomo Marine | 424 | −1 |
| S'tomo Metal | 170 | −2 |
| Taihei Dengyo | 480 | −1 |
| Taisei Corp | 212 | ..... |
| Taisho Pharm | 910 | −15 |
| Takeda | 755 | +5 |
| TDK | 4,970 | −30 |
| Teijin | 400 | ..... |
| Teikoku Oil | 709 | +4 |
| Tokyo Marine | 575 | ..... |
| TBS | 741 | +10 |
| Tokyo Elect Pwr. | 1,100 | −30 |
| Tokyo Gas | 158 | −1 |
| Tokyo Sanyo | 695 | −15 |
| Tokyo Style | 740 | ..... |
| Tokyu Corp | 290 | −5 |
| Toppan Print | 730 | −5 |
| Toray | 436 | −4 |
| Toshiba Elect | 391 | −2 |
| TOTO | 580 | +8 |
| Toyo Seikan | 701 | +2 |
| Toyota Motor | 1,330 | +10 |
| Victor | 2,140 | −60 |
| Wacoal | 772 | ..... |
| Yamaha | 527 | +2 |
| Yamanouchi | 1,400 | −30 |
| Yamazaki | 684 | −11 |
| Yasuda Fire | 291 | −9 |
| Yokogawa Bdge. | 410 | ..... |

## SINGAPORE

| June 6 | Price $ | + or − |
|---|---|---|
| Boustead Hldgs. | 2.44 | +0.02 |
| Cold Storage | 3.34 | ..... |
| DBS | 8.95 | −0.05 |
| Fraser & Neave | 6.8 | −0.05 |
| Genting | 6.2 | −0.05 |
| Haw Par. Bros | 2.32 | +0.02 |
| Inchcape Bhd | 2.83 | +0.07 |
| Keppel Shipyard | 2.5xa | −0.02 |
| Malay Banking | 9.15 | −0.05 |
| Malay Brew. | 6.5 | ..... |
| Multi Purpose | 1.82 | ..... |
| OCBC | 10 | ..... |
| OUB | 4.4 | ..... |
| Sime Darby | 2.26 | −0.01 |
| Straits St'mship | 1.52 | ..... |
| Straits Trdg. | 5.35 | ..... |
| UOB | 4.94 | −0.02 |

## SOUTH AFRICA

| June 6 | Price Rand | + or − |
|---|---|---|
| Abercom | 2 | −0.06 |
| AE & CI | 9.4 | ..... |
| Anglo Am Coal | 30 | −0.25 |
| Anglo Am Corp | 24.4 | +0.4 |
| Anglo Am Gold | 156 | ..... |
| Barclays Bank | 19 | ..... |
| Barlow Rand | 14.2 | +0.1 |
| Buffels | 84.5 | −1 |
| CNA Gallo | 2.9 | ..... |
| Currie Finance | 4.9 | +0.1 |
| De Beers | 8.95 | −0.15 |
| Driefontein | 49.25 | −0.25 |
| FS Geduld | 54 | ..... |
| Gold Fields S.A. | 30.5 | ..... |
| Highveld Steel | 5.1 | −0.3 |
| Nedbank | 15.5 | ..... |
| OK Bazaars | 17.25 | ..... |
| Protea Hldgs | 2.65 | −0.05 |
| Rembrandt | 25.75 | −0.25 |
| Rennies | 15.75 | +0.25 |
| Rust. Plat. | 14.75 | −0.15 |
| Sage Hldgs | 8.2 | ..... |
| SA Brews | 7.45 | ..... |
| Smith (C.G) | 23 | ..... |
| Tongaat Huletts | 11.6 | +0.1 |
| Unisec | 5.65 | ..... |

NOTES — Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

## OVER-THE-COUNTER

*Nasdaq national market, 2.30pm prices*

| Stock | Sales (Hnds) | High | Low | Last | Chng |
|---|---|---|---|---|---|
| [illegible] | | | | | |

Continued on Page 46

## LONDON

**Chief price changes**
(in pence unless otherwise indicated)

### RISES

| | | |
|---|---|---|
| Tr 3pc 1987 | £82 | +¼ |
| Amersham Int'l. | 228 | +11 |
| Booker McConn. | 186 | +9 |
| Bowthorpe | 293 | +10 |
| Commercial Union | 221 | +8 |
| Fleet Hldgs. | 189 | +6 |
| GKN | 179 | +5 |
| Hogg Robinson | 182 | +12 |
| Land Securities | 278 | +6 |
| Lloyds Bank | 553 | +13 |
| Macpherson (D.) | 135 | +10 |
| Moss Bros. | 298 | +25 |
| Pegler Hatt | 238 | +16 |
| Phoenix Ass. | 450 | +20 |
| Plessey | 220 | +6 |
| Powell Duffryn | 355 | +17 |
| Reed Int'l. | 446 | +12 |
| Reuters New B | 215 | +9 |
| Security Centres | 255 | +30 |
| Tate & Lyle | 388 | +8 |
| Williams Hldgs. | 163 | +15 |
| Anvil Petroleum | 78 | +10 |
| BP | 525 | +10 |
| Cambridge Pet. | 375 | +20 |
| Saxon Oil | 332 | +22 |
| Shell Transport | 638 | +11 |

### FALLS

| | | |
|---|---|---|
| Ex 10½pc 1995 | £95½ | −½ |
| Stainless Met. | 70 | −15 |
| Yule Catto | 202 | −9 |
| Double Eagle | 50 | −16 |

## CANADA

### TORONTO

*Prices at 2.30 pm*
*June 6*

| Sales | Stock | High | Low | Close | Chng |
|---|---|---|---|---|---|
| [illegible] | | | | | |

*Montreal prices were not available for this edition due to a computer failure*

# Indices

## NEW YORK — DOW JONES

| | June 5 | June 4 | June 1 | May 31 | May 30 | 1984 High | 1984 Low | Since Compil'n High | Since Compil'n Low |
|---|---|---|---|---|---|---|---|---|---|
| ●Industr'ls. | 1124.88 | 1131.57 | 1124.85 | 1104.85 | 1102.59 | 1286.64 (6/1) | 1101.24 (29/5) | 1287.7 (28/11/83) | 41.22 (2/7/32) |
| H'me Bnds | (u) | 65.69 | 66.30 | 64.91 | 64.81 | 71.75 (6/2) | 64.81 (29/5) | — | — |
| Transport. | 479.42 | 485.49 | 478.09 | 467.06 | 464.40 | 612.63 (9/1) | 467.82 (29/5) | 612.63 (9/1/84) | 12.32 (8/7/32) |
| Utilities | 124.28 | 124.86 | 124.37 | 122.69 | 122.69 | 134.83 (6/1) | 122.54 (29/5) | 163.32 (20/4/69) | 10.5 (28/4/42) |
| TradingVol 000·† | 84,840 | 96,740 | 86,840 | 81,890 | 105,660 | — | — | — | — |

●Day's high 1133.62 (1143.53) low 1117.13 (1125.32)

| | May 18 | May 11 | May 4 | year ago (approx) |
|---|---|---|---|---|
| Industrial div. yield % | 4.94 | 4.78 | 4.75 | 4.59 |

## STANDARD AND POORS

| | June 4 | June 1 | May 31 | May 30 | May 29 | 1984 High | 1984 Low | Since Compil'n High | Since Compil'n Low |
|---|---|---|---|---|---|---|---|---|---|
| Industr'ls. | 175.51 | 174.10 | 171.14 | 170.86 | 170.76 | 190.64 (6/1) | 170.76 (29/5) | 194.84 (10/10/83) | 3.52 (30/6/32) |
| Comp's'te | 154.34 | 153.24 | 150.55 | 151.45 | 150.29 | 168.23 (6/1) | 150.29 (29/5) | 172.15 (10/10/83) | 4.40 (1/6/32) |

| | May 30 | May 23 | May 16 | year ago (approx) |
|---|---|---|---|---|
| Industrial div. yield % | 4.30 | 4.23 | 4.10 | 3.92 |
| Industrial P/E ratio | 11.60 | 11.76 | 12.18 | 14.10 |
| Long Gov. Bond yield | 13.89 | 13.40 | 13.38 | 10.66 |

## N.Y.S.E. ALL COMMON

| June 5 | June 4 | June 1 | May 31 | 1984 High | 1984 Low |
|---|---|---|---|---|---|
| 88.49 | 88.85 | 88.16 | 86.71 | 97.71 (8/1) | 86.45 (29/5) |

### Rises and Falls

| | June 4 | June 1 | May 31 |
|---|---|---|---|
| Issues Traded | 1,987 | 1,976 | 1,951 |
| Rises | 1,274 | 1262 | 858 |
| Falls | 381 | 372 | 677 |
| Unchanged | 332 | 342 | 416 |
| New Highs | 11 | 7 | 5 |
| New Lows | 50 | 64 | 101 |

## TORONTO

| | June 5 | June 4 | June 1 | May 31 | 1984 High | 1984 Low |
|---|---|---|---|---|---|---|
| Metals & Minls. | 2022.48 | 2025.4 | 1995.1 | 1956.89 | 2624.4 (12/1) | 1900.6 (24/5) |
| Composite | 2280.86 | 2284.5 | 2256.10 | 2229.75 | 2585.7 (6/1) | 2187.8 (24/5) |
| MONTREAL Portfolio | 111.07 | 111.57 | 109.59 | 108.85 | 127.83 (10/1) | 105.34 (24/5) |

## NEW YORK ACTIVE STOCKS

| Tuesday | Stocks traded | Closing price | Change on day | | Stocks traded | Closing price | Change on day |
|---|---|---|---|---|---|---|---|
| Sears Roe | 3,803,600 | 30½ | — | Exxon | 1,094,000 | 40⅛ | −½ |
| IBM Corpn. | 1,968,100 | 105⅛ | −2⅞ | Southern | 1,086,100 | 14⅜ | — |
| Chem. NY | 1,791,900 | 25⅛ | −⅜ | Chesebrgh. | 984,700 | 38⅛ | +3⅛ |
| Santa Fe | 1,535,200 | 23 | −⅜ | Cont. Illinois | 887,900 | 6⅛ | +⅛ |
| A T & T | 1,197,400 | 15⅞ | −⅛ | Mesa Trust | 868,400 | 2⅝ | — |

| | June 6 | June 5 | June 4 | June 1 | 1984 High | 1984 Low |
|---|---|---|---|---|---|---|
| **AUSTRALIA** | | | | | | |
| All Ord. (1/1/80) | 673.7 | 674.7 | 681.5 | 685.2 | 787.8 (5/1) | 654.8 (31/5) |
| Metal & Minls. (1/1/80) | 449.3 | 448.3 | 450.1 | 441.7 | 567.4 (3/1) | 425.7 (31/5) |
| **AUSTRIA** | | | | | | |
| Credit Aktien (2/1/62) | 54.67 | 54.69 | 54.70 | 54.71 | 56.21 (2/1) | 53.80 (3/4) |
| **BELGIUM** | | | | | | |
| Belgian SE (31/12/63) | 148.30 | 148.87 | 147.98 | (c) | 156.25 (7/5) | 135.26 (4/1) |
| **DENMARK** | | | | | | |
| Copenhagen SE (3/1/83) | 189.12 | (c) | 184.95 | 179.27 | 225.21 (20/1) | 179.27 (1/6) |
| **FRANCE** | | | | | | |
| CAC General (31/12/82) | 172.2 | 173.1 | 172.2 | 172.2 | 181.7 (3/5) | 155.6 (3/1) |
| Ind Tendance (30/12/83) | 107.5 | 107.6 | 107.7 | 107.1 | 115.0 (5/5) | 99.4 (5/1) |
| **GERMANY** | | | | | | |
| FAZ Aktien (31/12/58) | 344.21 | 344.12 | 344.13 | 340.71 | 370.84 (2/2) | 339.66 (30/5) |
| Commerzbank (1/12/53) | 998.6 | 998.9 | 999.1 | 988.3 | 1056.5 (2/2) | 998.3 (1/6) |
| **HONG KONG** | | | | | | |
| Hang Seng Bank (31/7/64) | 952.12 | 932.44 | (c) | 917.50 | 1170.35 (19/3) | 871.06 (8/1) |
| **ITALY** | | | | | | |
| Banca Comm Ital. (1972) | 205.47 | 207.27 | 206.58 | 206.55 | 229.57 (1/2) | 192.69 (2/1) |
| **JAPAN**** | | | | | | |
| Nikkei-Dow (16/5/49) | 10254.2 | 10258.7 | 10131.7 | 9913.2 | 11,190.17 (4/5) | 9830.47 (14/2) |
| Tokyo SE New (4/1/68) | 792.40 | 792.70 | 782.22 | 768.10 | 875.62 (2/4) | 755.45 (4/1) |
| **NETHERLANDS** | | | | | | |
| ANP-CBS General (1970) | 157.3 | 157.6 | 156.9 | 154.5 | 178.8 (1/2) | 153.8 (30/5) |
| ANP-CBS Indust (1970) | 125.7 | 126.5 | 126.9 | 123.8 | 147.2 (1/2) | 123.1 (25/5) |
| **NORWAY** | | | | | | |
| Oslo SE (4/1/83) | 264.84 | 271.22 | 270.10 | 270.87 | 298.70 (3/5) | 221.67 (4/1) |
| **SINGAPORE** | | | | | | |
| Straits Times (1966) | 947.45 | 945.47 | 938.38 | 938.10 | 1071.91 (2) | 928.57 (29/5) |
| **SOUTH AFRICA** | | | | | | |
| Gold (1958) | (u) | (u) | 1071.8 | (c) | 1071.8 (4/6) | 793.1 (24/1) |
| Industrial (1958) | (u) | (u) | 1048.5 | (c) | 1105.5 (26/3) | 962.6 (25/1) |
| **SPAIN** | | | | | | |
| Madrid SE (30/12/83) | 121.35 | 120.88 | 118.78 | 118.48 | 121.51 (18/5) | 101.22 (3/1) |
| **SWEDEN** | | | | | | |
| Jacobson & P. (1/1/58) | 1438.64 | 1456.39 | 1456.24 | (c) | 1684.5 (5/2) | 1,388.00 (29/5) |
| **SWITZERLAND** | | | | | | |
| SwissBank Cpn. (31/12/58) | 383.8 | 385.7 | 381.5 | 388.8 | 388.7 (5/1) | 358.8 (1/6) |
| **WORLD** | | | | | | |
| Capital Intl. (1/1/70) | — | 178.6 | 178.7 | 176.4 | 190.6 (3/5) | 173.9 (31/5) |

** Saturday June 2: Japan Nikkei-Dow 10,053.0. TSE 777.64.
Base values of all indices are 100 except Australia All Ordinary and Metals—500; NYSE All Common—50; Standard and Poors—10; and Toronto Composite and Metals—1,000. Toronto indices based 1975 and Montreal Portfolio 4/1/83. † Excluding bonds. ‡ 400 Industrials. § 400 Industrials plus 40 Utilities, 40 Financials and 20 Transports. c Closed. u Unavailable.

# AMERICAN STOCK EXCHANGE CLOSING PRICES

Continued from Page 37

| 12 Month High | 12 Month Low | Stock | Div. | Yld. | P/E | Sls 100s | High | Low | Close Quote | Ch'ge Prev. Close |
|---|---|---|---|---|---|---|---|---|---|---|
| [illegible] | | | | | | | | | | |

MARKET REPORT

# Official sales halt recent Gilt-edged strength but equities manage to improve

**Account Dealing Dates**

**Option**

| *First Dealings | Declarations | Last Dealings | Account Day |
|---|---|---|---|
| May 14 | May 31 | June 1 | June 11 |
| June 4 | June 14 | June 15 | June 25 |
| June 18 | June 28 | June 29 | July 9 |

* "New-time" dealings may take place from 9.30 am two business days earlier.

A less eventful day in London ended with Government Securities lower following official sales of the £600m quartet of taplets made available to the market only last Monday. To satisfy initial fresh demand from both domestic and overseas sources, the authorities sold quantities of Exchequer 9¾ per cent 1998 and Treasury 11½ per cent 2001/04, eventually exhausting its £100m holding of the former. Only an academic interest was shown for the two remaining shorter life stocks, isued in tranches of £200m each, and the Government broker was not tested.

Removal of the immediate threat of higher clearing bank base rates—there was little sign yesterday of the recent upward presures in UK money markets—generated the early enthusiasm for Gilt-edged stocks. Buyers, however, became shy after the authorities' sales and Gilts began to surrender gains ranging to ½. Later, a disappointing opening in the U.S. bond market caused a fresh reaction and, in thin trading, longer dated stocks finally settled ½ down in places. Shorter maturities were also volatile but closed with fractional movements in each direction. Specialist demand brought improvements, extending to ¼, among selected low-coupon isues.

Receding fears of higher interest rates also gave the equity market a fillip. Some operators and investors were active prior to setting out for the day's main counter-attraction, the Epsom Derby. Immediately business opened, an influx of buying orders took leading shares up, despite easier New York prices overnight. The firm tone caused some professionals to hurriedly close outstanding bear positions and the FT Industrial Ordinary share index mirrored the situation with a rise of over 8 points at 11 am. Subsequently, trade became very patchy and values, apart from a host of situation stocks, were inclined to drift back. After-hours the trend continued and the index closed a net 6.4 higher on the session at 846.5.

Two new Water Debentures made satisfactory debuts to the Fixed Interest lists. Of identical coupon and life, Portsmouth 13 per cent 1994 and York opened at £11¼, in £10-paid form, and closed at £11⅝.

## CD below best

The declaration by Allianz, West Germany's biggest insurance group, that it still intends to buy into foreign companies to help bost its business abroad, sparked off a wave of fresh speculative buying of Commercial Union which touched 223p before closing a further 8 up and 28 higher on the week so far at 221p; yesterday's rise also reflected revived suggestions that the group's much-troubled U.S. operations could be sold. Meanwhile, Phoenix, also long-rumoured to be on Allianz's shopping list following the latter's unsuccessful attempt to acquire Eagle Star, jumped 20 to 450p, after 453p, amid reports of a large but, as yet, unsatisfied buyer in the market. Other Composites were caught up in the speculation and gains of 10 occurred in General Accident, 460p, GRE, 570p, and Royals, 570p. Sun Alliance put on 15 to 375p. Elsewhere, Lloyds Brokers were highlighted by a jump of 12 to 182p in Hogg Robinson following renewed speculative buying fuelled by U.S. bid hopes.

The clearing banks staged a largely technical rally, investors still being deterred by the Latin American debt situation. Lloyds, at 533p, retrieved 13 of the previous day's decline of 18, while Barclays recovered 10 at 470p and Midland 5 at 333p. Elsewhere, revived takeover speculation was responsible for a rise of 5 to 165p in Grindlays and a gain of 3 to 75p, after 76½p, in First National Finance Corporation.

Interest in Reuters expanded slightly and the shares, after resisting a certain amount of U.S. selling, moved ahead quite smartly to close a net 9 up at 215p compared with the minimum tender price of 180p and striking price of 196p.

Car-care products concern, Spectra Automotive and Engineering Products, made a subdued debut in the Unlisted Securities Market; after opening a shade above the placing price of 65p, the shares slipped back to close at 63p. Among other recently-issued equities, Body Shop International attracted fresh demand in a restricted market and firmed 5 to 180p, while micro computer systems concern Brikat moved up 7 to 157p.

Inclined firmer at the outset, Breweries failed to attract follow-through support and closed a shade below the best levels. Bass attained a 1984 peak of 293p before settling only 2 dearer on balance at 388p. Scottish and Newcastle hardened a similar amount to 121p as takeover speculation revived in the wake of its abortive by for J. W. Cameron.

Early domestic support for ICI soon faded and the shares drifted back to close 2 cheaper on balance at 570p, after 576p. Allied Colloids continued to trade firmly ahead of the annual results due on June 21 and hardened 3 to 314p, while renewed demand lifted Laporte 8 to 318p. Elsewhere, Amersham International revived and rose 11 to 226p.

Lack of institutional interest made for another uneventful session among leading Stores. Most registered small gains as dealers marked prices higher in attempts to establish a trading level. Woolworth, 447p, and British Home, 213p, both added 4, while Raybeck, which recently announced a trading link with fashionable Italian concern Beneton, hardened the turn to 42p. Secondary counters continued to feature speculative stocks; a useful two-way business developed in Arthur Henriques, which rose a couple of pence to 47p, while buyers displayed renewed interest in Moss Bros, 25 up at 290p. Country support lifted Alfred Preedy a few pence to 123p.

## Plessey improve

Plessey rose 6 to 220p helped by the announcement of a £50m investment programme involving the construction and fitting-out of an advanced microchip processing plant at Plymouth. Other Electrical leaders drifted lower with Thorn EMI down 7 at 540p still reflecting concern about the possibility of an expensive merger with British Aerospace; Bae cheapened 5 more to 378p on profit-taking, while GEC held the overnight level of 184p awaiting further news of its bid discussions with Bae. Elsewhere, Bowthorpe jumped 18 to 295p in the wake of the chairman's encouraging remarks at the annual meeting. Security Centres rose 30 to 255p, after 260p, on vague takeover talk, Renishaw advanced 17 to 237p and CASE rallied 40 to 790p among high-technology issues.

The declaration by Alianz. Engineering leaders showed up well with buyers once again attracted by the sector's recovery potential. GKN were prominent in the early stages and touched 185p before closing 5 higher on balance at 179p. Vickers added 6 at 162p and Hawker gained 9 to 431p. Among secondary issues, Pegler-Hattersley jumped 16 to 238p in response to the increased dividend, satisfactory annual profits and accompanying cheerful statement on prospects. The encouraging tenor of the chairman's address at the annual meeting left Glynwed 4 better at 139p, while Birmingham Mint gained 5 to 235p following the announcement that Temple Bar Investment Trust had increased its shareholding to over 10 per cent. Speculative buying prompted improvements of 10 and 15 respectively in Belgrave, 148p, and Williams, 163p.

Foods passed a fairly uneventful session, but the tone was firm and prices usually improved. A further reappraisal of the recent annual figures resulted in support for Tate and Lyle, which firmed 8 to 380p. S. and W. Berisford improved 4 to 185p Among Retailers, Tesco continued to attract support ahead of next Wednesday's preliminary results and added 3 for a two-day gain of 6 to 187p. Elsewhere, Hazlewood Foods continued to respond to the good results and, in a restricted market, advanced 20 more to 730p. Carr's Milling added 3 to 93p, the board's encouraging statement compensating for the lower interim profits.

Leading Hotels and Caterers finished a shade easier for choice, but secondary issues drew selective interest; Garfunkels were 13 up at 263p and Kennedy Brookes 8 higher at 253p.

## Powell Duffryn up

Powell Duffryn provided a prominent feature in miscellaneous industrials, rising 17 to 355p, after 363p, as buyers began to show an increased interest ahead of the preliminary results, scheduled for June 20. Booker McConnell, currently in receipt of an unwelcome offer from Dee Corporation, advanced 9 to 186p on counter-bid hopes, while Donald Macpherson gained 10 to 135p in response to the increased bid terms offered by Yule Catto, 9 down at 202p. Speculative buying lifted Unifiex 11 to 70p and Barget 5 to 33p. News of the US$50 a share bid from Sir James Goldsmith's Diamond Land Corporation for Continental Group left the later 2⅛ points higher at £30⅞. Computer stocks recovered from the recent depression with Applied closing 20 better at 690p and NMW 13 dearer at 298p. By way of contrast, Stainless Metalcraft came on offer at 70p, down 15.

Reed International again featured the leaders, closing a further 12 up for a two-day rise of 36 at 446p following comment on the results. Reckitt and Colman put on 10 at 490p, Pilkington added 8 at 305p and Glaxo firmed 7 to 827p. Beecham improved 6 to 333p and Hanson Trust edged forward a penny to 220p, after 224p, the latter on further consideration of the impressive interim figures.

Recently overlooked Radio City met with revived demand and, in a restricted market, gained 10 to 100p. SelectTV firmed 4 to 27p in response to an investment recommendation, but profit-taking clipped 4 from Leisuretime International, at 69p.

Motor sectors finished a shade firmer for choice. BL added a couple of pence at 55p despite the current labour disputes at Longbridge and Cowley. Reliant attracted scattered country buying to close 3 dearer at 42p. Components featured Jonas Woodhead which advanced to 28p in a lively business before settling only a penny up on balance at 25p the preliminary results are due on Thursday week. Among Distributors, persistent rumours of a sizeable shareholding changing hands lifted T. Cowie 2 more to 41p, while Lex Service, aided by newsletter comment, firmed 7 to 405p. Henlys closed 2 up at 120p, after 122p, following indication's that Mr Michael Ashcroft, having failed to agree a 120p per share offer with the former's board, is prepared to sell his 28 per cent stake, currently held via the Coleman Milne offshoot.

Publishers remained popular as investors continued to weigh up the prospective benefits of the Reuters launch. Associated Newspapers advanced 13 more to 468p, while Fleet Holdings, again buoyed by persistent talk of a possible bid from Mr Robert Holmes a Court, closed 6 up at 169p.

Properties attracted fresh support as interest rate worries receded. Land Securities firmed 6 to 276p and MEPC rose 7 to 287p, while Great Portland Estates improved 4 to 152p and Hammerson A 10 to 830.

## Oils advance

The oil majors continued to perform strongly against a background fo increasing worries over the consequences of a substantial escalation of the war between Iran and Iraq.

BP remained the sector favourite and advanced 10 more to 525p, after 531p, in front of the first-quarter results expected today, while Shell put on a further 11 to 688p, after 693p.

Britoil touched 261p initially but eased on profit-taking to close unaltered on balance at 255p. Ultramar and Tricentrol were finally down 3 apiece at 300p and 210p respectively.

Secondary oils provided numerous firm features, most notably Saxon Oil, which jumped 22 to 332p, and Anvil Petroleum, 10 higher at 78p, after 80p.

Cambridge Petroleum Royalties surged 30 more to a 1984 high of 375p still reflecting the recent acquisition of a 22.64 per cent stake in the company by Energy Recovery Investment Corporation. Further consideration of the preliminary figures rushed Carless Capel up 4 more to 235p.

Among overseas issues, Double Eagle were sold and dropped 16 to 50p following the £3.8m bid for the UK-registered Chessminster.

## Golds mark time

The uncertain trend in bullion prices was largely ignored by the market in South African gold and related issues, which tended to consolidate after Tuesday's setback.

A marked absence of selling pressure from Johannesburg coupled with modest bear closing and "cheap" buying interest from local and Continental sources enabled most issues to hold steady and in some cases register marginal gains.

The Gold Mines index posted a 0.8 rise at 699.3 while bullion eased to close $2 off at $392 an ounce.

In the top-quality issues, Randfontein edged up a full point to £112¾ and Buffels a half-point to £27½, the latter in front of the final dividend, due today along with those of the other gold mines in the Gencor group. Cheaper-priced stocks, however, encountered persistent selling and retreated across a broad front led by Vlakfontein, 24 lower at 217p. Leslie, 14 down at 249p and Marievale, 8 off at 292p.

Financials were similarly subdued. Anglo American Corporation rose ½ more to £13¾ on further consideration of the record profits and increased dividend, but De Beers eased back to close a net 4 cheaper at 510p.

The USM-quoted Cobra Emerald Mines initially moved up to 70p but reverted to 65p, unchanged on the day, following the preliminary results. Recently-firm East Rand Consolidated attracted profit-taking and retreated 3 to 38p.

Australian issues moved within narrow limits in line with overnight domestic markets.

Demand for Traded Options held up well. Total contracts transacted amounted to 6,164, with the FTSE 100 contributing 989 calls and 433 puts. Persisting bid speculation sparked another active business in Commercial Union positions with 920 calls struck, 248 in the July 180's. 10 up at 48p, and 144 in the July 220's, 8 better at 19p. Imperial Group remained lively with 563 calls done, the August 140's accounting for 226 trades. Put trading was dominated by Racal which recorded 498 contracts. 202 in the August 240's and 150 in the February 240's.

## FINANCIAL TIMES STOCK INDICES

| | June 6 | June 5 | June 4 | June 1 | May 31 | May 30 | year ago |
|---|---|---|---|---|---|---|---|
| Government Secs | 79.38 | 79.51 | 79.34 | 78.59 | 78.07 | 77.86 | 82.28 |
| Fixed Interest | 83.11 | 83.11 | 83.08 | 82.70 | 82.48 | 82.39 | 84.04 |
| Industrial Ord. | 846.5 | 840.1 | 843.3 | 824.5 | 796.9 | 803.4 | 714.7 |
| Gold Mines | 699.3 | 698.5 | 711.5 | 698.1 | 681.3 | 672.2 | 585.9 |
| Ord. Div. Yield | 4.67 | 4.70 | 4.68 | 4.78 | 4.94 | 4.86 | 4.83 |
| Earnings Yld.% (full) | 10.84 | 10.92 | 10.88 | 11.10 | 11.47 | 11.57 | 8.99 |
| P/E Ratio (net) (*) | 11.07 | 11.01 | 11.05 | 10.82 | 10.48 | 10.57 | 13.78 |
| Total bargains (Est.) | 21,906 | 20,770 | 21,547 | 22,843 | 21,570 | 22,420 | 21,440 |
| Equity turnover £m. | — | 298.69 | 297.21 | 270.87 | 308.48 | 259.47 | 225.20 |
| Equity bargains | — | 18,025 | 20,163 | 20,045 | 18,601 | 15,684 | 18,261 |
| Shares traded (ml) | — | 156.7 | 151.5 | 150.0 | 163.9 | 127.8 | 132.3 |

10 am 845.5. 11 am 848.2. Noon 847.8. 1 pm 847.0. 2 pm 847.4. 3 pm 847.8.

Basis 100 Govt. Secs. 8/1/58. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/1/58. SE Activity 1974.

Latest Index 01-246 8026.

*Nil = 10.58.

## HIGHS AND LOWS

| — | 1984 High | 1984 Low | Since Compilat'n High | Since Compilat'n Low |
|---|---|---|---|---|
| Govt. Secs. | 81.77 (9/1) | 77.86 (30/5) | 127.4 (9/1/35) | 49.18 (3/1/75) |
| Fixed Int. | 87.48 (14/3) | 82.39 (30/5) | 150.4 (28/11/47) | 50.03 (31/1/75) |
| Ind. Ord. | 922.8 (3/5) | 770.3 (4/1) | 922.8 (3/5/84) | 49.4 (26/6/40) |
| Gold Mines | 711.7 (9/5) | 520.2 (17/1) | 734.7 (15/2/83) | 43.5 (26/10/71) |

## S.E. ACTIVITY

| | June 5 | June 4 |
|---|---|---|
| Daily | | |
| Gilt Edged Bargains | 172.9 | 178.1 |
| Equities Bargains | 116.8 | 130.6 |
| Value | 603.7 | 600.7 |
| 5-day Average | | |
| Gilt Edged Bargains | 156.2 | 152.8 |
| Equities Bargains | 119.9 | 117.4 |
| Value | 577.6 | 538.5 |

## NEW HIGHS AND LOWS FOR 1984

### NEW HIGHS (24)

BANKS (1)
Grindlays

BREWERS (1)
Bass

CHEMICALS (1)
Laporte Inds.

STORES (1)
Boardman (K. O.)

ELECTRICALS (1)
Cass

ENGINEERING (4)
Birmingham Mint · RTD
Burgess Products · Williams Hldgs.

FOODS (1)
Freshbake Foods

INDUSTRIALS (7)
Blundell-Permoglaze · Flexello Castors
Booker McConnell · Hertons
Continental Group · Macpherson (D.)
Emray

MOTORS (1)
Dowty

PAPER (1)
Clondalkin

PROPERTY (2)
Gilbert House Inv. · Grainger Trust

OILS (2)
Cambridge Petroleum · Sceptre Resources

MINES (1)
Kloof Gold

### NEW LOWS (16)

COM'WEALTH & AFRICAN LOANS (1)
N.Z. 7¼pc 1988-92

AMERICANS (1)
Texaco

CHEMICALS (1)
Ellis & Everard

STORES (1)
Owen Owen

ELECTRICALS (1)
Sony

FOODS (1)
Avana

INDUSTRIALS (1)
Stainless Metalcraft

PAPER (1)
McCorquodale

PROPERTY (2)
Espley Trust · Sheraton Securities

TRUSTS (1)
F. & C. Enterprise

OILS (2)
ICC Oil · Texas (L.) Petroleum

MINES (2)
Paringa Mining · Highwood Resources
Centenniai Minerals

## RECENT ISSUES

### EQUITIES

| Issue price | Amount paid up | Latest Renunc. date | 1984 High | 1984 Low | Stock | Closing price | + or − | Net Div. | Times covered | Gross Yield | P.E. Ratio |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 270 | 100 | 10/8 | 105 | 63 | Assoc Brit Ports | 77 | +2 | 8.5 | 2.9 | 4.9 | 9.3 |
| 100 | 65 | 2/11 | 67 | 61 | BaillieGiffordTechngy | 62 | .... | — | — | — | — |
| §95 | F.P. | 10/6 | 210 | 145 | ✠Body Shop 5p | 180 | +5 | b1.8 | 2.3 | 1.4 | 46.2 |
| §140 | F.P. | 15/6 | 175 | 138 | ✠Brikat 5p | 157 | +7 | bg2.0 | 3.1 | 1.8 | 22.7 |
| ** | F.P. | — | 38 | 12½ | ✠Cluff Oil Warrants | 25 | ..... | — | — | — | — |
| 120 | F.P. | 12/7 | 147½ | 120 | Comcap 5p. | 135 | ..... | gd1.6 | 3.7 | 1.6 | 16.7 |
| §42 | F.P. | 22/6 | 48 | 41 | Delaney Group 10p | 41 | ..... | u2.2 | 2.2 | 7.7 | 7.0 |
| 135 | F.P. | 15/6 | 170 | 128 | Greggs 20p. | 155 | ..... | u3.4 | 2.7 | 3.1 | 13.4 |
| §93 | F.P. | — | 120 | 94 | ✠HoldenHydr'm'n 10p | 120 | +5 | u3.25 | 2.8 | 3.9 | 10.5 |
| †† | F.P. | — | £13½ | £13½ | Houston Inds. Inc. ‡ | £13½ | ..... | $2.48 | — | 13.0 | — |
| 180 | F.P. | — | 200 | 165 | ✠Microvitec 5p | 188 | +3 | ug1.25 | 3.0 | 1.0 | 55.6 |
| §10 | F.P. | 22/5 | 18 | 13½ | ✠Morris(W.)FineA10p | 16 | ..... | bg0.25 | 4.0 | 2.2 | 14.6 |
| †† | F.P. | — | £23 | £23 | Northern Telecom ‡ | £23 | .... | 40c | — | 0.9 | — |
| §52 | F.P. | 27/4 | 80 | 57 | OspreyCommunic'tns | 60 | ..... | N1.0 | — | 2.4 | — |
| §80 | F.P. | 25/5 | 104 | 93 | ✠Pantherella | 97 | +1 | n3.3 | 2.6 | 4.9 | 11.8 |
| 80 | F.P. | — | 86 | 78 | ✠Petrogen Pet. Inc. ‡ | 81 | +1 | — | — | — | — |
| §68 | F.P. | — | 73 | 68 | ✠Petrolex 5p | 73 | +1 | — | — | — | — |
| §62½ | F.P. | 18/5 | 80 | 55 | ✠Plan Invest. 10p | 60 | ..... | u1.1 | 3.6 | 2.6 | 15.2 |
| ¶196 | F.P. | — | 218 | 206 | Reuters 'B' 10p | 215 | +9 | b2.8 | 4.1 | 1.7 | 28.9 |
| 70 | F.P. | 15/6 | 73 | 62 | SPRAIT 50p | 65 | +1 | Qb3.5 | — | 5.4 | — |
| 50 | F.P. | 15/6 | 56 | 43 | Do. Warrants | 45 | ..... | — | — | — | — |
| 120 | F.P. | 15/6 | 122 | 115 | Do. Cum Pt. Prf. | 118 | +1 | Q9% | — | 7.6 | — |
| §68 | F.P. | — | 66 | 63 | ✠Spectra Auto. 10p | 63 | ..... | u2.28 | 2.2 | 5.2 | 12.6 |
| ‡110 | F.P. | 15/6 | 122 | 112 | ✠Stat - Plus 5p | 112 | ..... | u1.8 | 3.3 | 2.3 | 17.6 |
| §110 | F.P. | — | 140 | 128 | ✠SteelBurrillJones10p | 137 | +2 | b4.9 | 2.3 | 5.1 | 12.2 |
| 95 | F.P. | 22/6 | 110 | 100 | ✠Sutherland (E.T.) | 102 | ..... | u3.33 | 1.0 | 4.7 | 16.3 |
| — | F.P. | — | 42 | 30½ | Utd. Biscuits Warr'nts | 33 | −1 | — | — | — | — |
| ¶285 | F.P. | 8/6 | 330 | 275 | Wordplex 50p | 292 | +4 | H1.7 | — | 0.8 | 12.4 |

### FIXED INTEREST STOCKS

| Issue price £ | Amount paid up | Latest Renunc. date | 1984 High | 1984 Low | Stock | Closing price £ | + or − |
|---|---|---|---|---|---|---|---|
| 98.19 | £25 | 27/7 | 26⅞ | 22 | Border & S'thern 11½% Deb. Stk. 2014 | 23¼ | ...... |
| §100 | F.P. | 8/6 | 106 | 100 | Brittannia Arrow 9% Cnv.Uns.Ln. 95/2000 | 103 | ...... |
| 97.072 | £25 | 1/7 | 28⅝ | 22¼ | Brixton Est. 11½pc 1st Mort. Deb. 2023 | 23¼ | −¼ |
| 95.764 | £25 | — | 24¼ | 21⅜ | EDF 11¾% Ln. 2009/12 | 23⅝ | +½ |
| 98.043 | £30 | 26/6 | 30⅜ | 24⅛ | Finland 11½% Ln. 2009 | 25¾ | +⅛ |
| 99.714 | F.P. | 26/4 | 105⅜ | 95¼ | Int. Bk. for Rec. & Dev. 11.5% Ln. 2003 | 98 | +½ |
| §95.711 | F.P. | 15/6 | 102¼ | 90½ | MEPC 10¾pc 1st. Mort. Deb. 2024 | 92¼ | ...... |
| — | F.P. | — | 100 | 98½ | Nationwide 9⅝% 7/5/85 | 99¼ | +¼ |
| — | F.P. | — | 100½ | 100 | Do. 11% 3/6/85 | 100½ | +⅛ |
| §99.60 | £10 | — | 9½ | 9½ | Portsmouth Water 7¾% Red. Prf. 1987 | 9½ | ...... |
| §100 | £10 | — | 11¾ | 11¼ | Do. 13% Red. Deb. 1994 | 11⅝ | ...... |
| §97.80 | £25 | 12/7 | 30½ | 23⅜ | Province de Quebec 12¼% Ln. 2020 | 25¼ | +¼ |
| 98.641 | £30 | 7/8 | 30 | 26¼ | Trinidad & Tobago 12¼% Ln. 2009 | 27½ | +⅛ |
| §100 | £10 | — | 11¾ | 11¼ | York Waterworks 13% Red. Deb. 1994 | 11⅝ | ...... |

### "RIGHTS" OFFERS

| Issue price | Amount paid up | Latest Renunc. date ■ | 1984 High | 1984 Low | Stock | Closing price | + or − |
|---|---|---|---|---|---|---|---|
| 85 | F.P. | 28/6 | 95 | 78 | Amstrad 5p | 83 | ...... |
| R2.6 | Nil | — | 250pm | 150pm | Anglo American Ind. Corp. | 150pm | ...... |
| 17 | Nil | — | ½pm | ¼pm | BSG Intnl. 10p | ½pm | ...... |
| Ir.350 | Nil | — | 22pm | 2pm | Bank of Ireland £1 | 2pm | ...... |
| 260 | F.P. | 24/5 | 327 | 300 | Bank of Scotland £1 | 320 | ...... |
| 29 | Nil | — | 2pm | ½pm | Benlox 10p | ½pm | ...... |
| A$7.5 | A$4 | 2/5 | 542 | 384 | Broken Hill Prop. A$2 | 406 | ...... |
| 70 | F.P. | 15/6 | 87 | 75 | Brown Boveri Kent | 76 | ...... |
| 10 | F.P. | 24/5 | 13 | 10 | Ferguson (James) 10p | 11 | ...... |
| 68 | F.P. | 29/5 | 78 | 69 | Fisher (A) 5p | 72 | ...... |
| R27 | F.P. | 18/5 | £17⅛ | £15¼ | Gencor 40c | £15¼ | ...... |
| 52 | F.P. | 17/5 | 64½ | 57 | Holt Lloyd Intnl. 10p | 59 | −1 |
| 25 | F.P. | 7/6 | 29 | 25 | ✠Intervision Video 10p | 25 | ...... |
| 38 | F.P. | 25/5 | 61 | 47 | Manganese Bronze | 51 | +2 |
| 120 | Nil | — | 100pm | 33pm | ✠Midsummer Inns £1 | 100pm | ...... |
| 5 | Nil | 11/5 | 20½pm | 12pm | Norfolk Cap. 5p | 20½pm | ...... |
| 4 | F.P. | 21/5 | 8½ | 6 | Norton (W.E.) 1p | 7½ | ...... |
| A$4 | Nil | — | 120pm | 100pm | Santos A0.25c | 115pm | ...... |
| 136 | F.P. | 21/5 | 165 | 148 | Scottish TV 'A' 10p | 151 | +5 |
| 20 | F.P. | 23/5 | 23 | 19 | Wace Group 20p | 20 | ...... |
| 84 | F.P. | 26/5 | 139 | 116 | Websters 5p | 117 | ...... |
| 68 | F.P. | 18/5 | 90 | 82 | Whatlings | 86 | ...... |
| 117 | F.P. | 23/5 | 157 | 134 | Williams Hldgs. | 147 | ...... |

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimates. d Dividend rate paid or payable on part of capital; cover based on dividend on full captal. g Assumed dividend and yield. u Forecast dividend cover based on previous year's earnings. C Canadian F Dividend and yield based on prospectus or other official estimates for 1984. H Dividend and yield based on prospectus or other official estimates for 1983-84. Q Gross. p Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or takeover. ■ Allotment letters (or fully-paid). ‖‖ Introduction. ✠ Unlisted Securities Market. § Placing price. †† Official London Listing. ‡ No par value.

## OPTIONS

| First Dealings | Last Dealings | Last Declaration | For Settlement |
|---|---|---|---|
| May 21 | June 8 | Aug 30 | Sept 10 |
| June 11 | June 22 | Sept 13 | Sept 24 |
| June 25 | July 6 | Sept 27 | Oct 8 |

*For rate indications see end of Share Information Service.*

Call options were arranged in Eglinton, Petranol, Petrolex, Applied Botanics, Bula, Alfred Preedy, F. H. Lloyd, Associated Newspapers, Hanson Trust, Grindlays, Southend Stadium, Dunlop and Blackwood Hodge. Puts were taken out in Polly Peck and Barratt Developments, but no doubles were reported.

## RISES AND FALLS YESTERDAY

| | Rises | Falls | Same |
|---|---|---|---|
| British Funds | 15 | 64 | 25 |
| Corpns. Dom. & Foreign Bonds | 13 | 7 | 62 |
| Industrials | 390 | 142 | 873 |
| Financial & Props. | 223 | 41 | 259 |
| Oils | 28 | 29 | 63 |
| Plantations | 7 | 0 | 13 |
| Mines | 28 | 39 | 108 |
| Others | 57 | 55 | 117 |
| Totals | 761 | 377 | 1,518 |

## ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

| Stock | Closing price | Day's change |
|---|---|---|
| Booker McConnell | 186 | +9 |
| BP | 525 | +10 |
| Commercial Union | 221 | +8 |
| First Nat. Fin. Cpn. | 75 | +3 |
| GKN | 179 | +5 |
| Hogg Robinson | 182 | +12 |
| ICI | 570 | −2 |
| Plessey | 220 | +6 |
| Powell Duffryn | 355 | +17 |
| Reed International | 446 | +12 |
| Reuters New 'B' | 215 | +9 |
| Saxon Oil | 332 | +22 |

## TUESDAY'S ACTIVE STOCKS

Based on bargains recorded in Stock Exchange Official List.

| Stock | No. of changes | Tues. close | Day's change |
|---|---|---|---|
| Reuters New B | 20 | 206 | −6 |
| Reed Internatnl. | 17 | 434 | +24 |
| BTR | 15 | 462 | +2 |
| De La Rue | 15 | 625 | +10 |
| Hanson Trust | 15 | 219 | −8 |
| Pilkington Bros. | 15 | 297 | −3 |
| Brit. Aerospace | 14 | 383 | −18 |
| BP | 14 | 515 | +5 |
| Bowater | 13 | 258 | −4 |
| Glaxo | 13 | 820 | −5 |
| Commcl. Union | 12 | 213 | +9 |
| Shell Transport | 12 | 677 | +7 |
| ICI | 11 | 572 | −6 |
| RTZ | 11 | 619 | −2 |

## FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

| EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section) | Wed June 6 1984 Index No. | Day's Change % | Est. Earnings Yield% (Max.) | Gross Div. Yield% (ACT at 30%) | Est. P/E Ratio (Net) | Tues June 5 Index No. | Mon June 4 Index No. | Fri June 1 Index No. | Thurs May 31 Index No. | Year ago (approx.) Index No. |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 CAPITAL GOODS (208) | 499.58 | +0.6 | 9.64 | 3.77 | 13.09 | 496.54 | 496.11 | 484.09 | 466.85 | 493.53 |
| 2 Building Materials (24) | 483.45 | +0.6 | 12.00 | 4.70 | 10.36 | 480.67 | 477.81 | 464.99 | 456.82 | 428.23 |
| 3 Contracting, Construction (32) | 672.72 | +0.3 | 14.33 | 5.60 | 8.91 | 670.93 | 672.51 | 656.95 | 650.42 | 760.86 |
| 4 Electricals (14) | 1556.46 | −0.5 | 8.60 | 4.69 | 14.68 | 1563.84 | 1567.08 | 1520.22 | 1503.38 | 1977.93 |
| 5 Electronics (28) | 1737.16 | +0.7 | 8.39 | 2.23 | 15.29 | 1725.36 | 1721.88 | 1684.69 | 1581.70 | 0.0 |
| 6 Mechanical Engineering (62) | 249.71 | +0.8 | 11.17 | 4.83 | 10.98 | 247.65 | 249.28 | 242.97 | 232.78 | 218.35 |
| 8 Metals and Metal Forming (9) | 186.43 | +1.3 | 11.41 | 6.77 | 11.17 | 183.97 | 181.68 | 176.07 | 174.38 | 175.54 |
| 9 Motors (17) | 131.14 | +0.3 | 6.02 | 4.65 | — | 130.69 | 131.59 | 126.46 | 124.77 | 187.78 |
| 10 Other Industrial Materials (17) | 657.84 | +0.6 | 6.91 | 3.65 | 18.05 | 654.20 | 653.17 | 636.26 | 628.17 | 467.24 |
| 21 CONSUMER GROUP (194) | 506.45 | +0.6 | 10.75 | 4.30 | 11.42 | 503.30 | 503.80 | 492.02 | 490.51 | 434.51 |
| 22 Brewers and Distillers (23) | 524.45 | +0.3 | 12.34 | 4.77 | 9.99 | 522.88 | 520.77 | 514.16 | 502.28 | 468.29 |
| 25 Food Manufacturing (22) | 378.33 | +0.6 | 14.67 | 5.77 | 8.39 | 375.95 | 376.58 | 367.61 | 361.18 | 357.33 |
| 26 Food Retailing (12) | 1160.86 | +0.5 | 7.39 | 2.66 | 17.65 | 1154.52 | 1151.29 | 1132.12 | 1107.75 | 906.02 |
| 27 Health and Household Products (9) | 801.13 | +1.4 | 6.05 | 2.92 | 19.57 | 789.69 | 788.67 | 765.86 | 750.81 | 815.85 |
| 29 Leisure (23) | 606.37 | −0.3 | 9.82 | 4.75 | 13.09 | 608.14 | 612.96 | 605.13 | 598.91 | 544.48 |
| 32 Newspapers, Publishing (13) | 1295.90 | +1.2 | 7.67 | 4.17 | 15.95 | 1280.26 | 1278.82 | 1264.43 | 1233.12 | 835.98 |
| 33 Packaging and Paper (15) | 240.03 | +0.9 | 12.25 | 4.62 | 9.49 | 237.85 | 235.60 | 229.37 | 224.31 | 178.21 |
| 34 Stores (46) | 454.37 | +0.5 | 8.89 | 3.83 | 14.90 | 452.15 | 453.98 | 444.19 | 432.32 | 392.76 |
| 35 Textiles (20) | 268.82 | +0.3 | 13.10 | 4.87 | 8.78 | 267.30 | 267.74 | 263.08 | 259.87 | 201.71 |
| 36 Tobaccos (3) | 620.21 | +0.7 | 17.84 | 5.81 | 6.33 | 615.77 | 619.66 | 585.71 | 564.24 | 419.53 |
| 39 Other Consumer (8) | 464.91 | +0.5 | 11.76 | 4.38 | — | 462.67 | 460.42 | 444.80 | 447.46 | 394.93 |
| 41 OTHER GROUPS (87) | 437.55 | +0.7 | 9.96 | 4.39 | 12.45 | 434.49 | 437.85 | 423.78 | 413.04 | 352.73 |
| 42 Chemicals (18) | 578.51 | — | 12.78 | 5.11 | 9.70 | 578.78 | 585.57 | 569.69 | 550.96 | 490.63 |
| 44 Office Equipment (4) | 124.86 | +1.7 | 7.67 | 5.78 | 17.20 | 122.78 | 121.89 | 117.30 | 115.41 | 104.38 |
| 45 Shipping and Transport (14) | 850.33 | +0.6 | 8.09 | 5.09 | 15.14 | 844.97 | 842.88 | 821.72 | 818.78 | 718.98 |
| 46 Miscellaneous (51) | 608.51 | +1.2 | 8.33 | 3.62 | 14.59 | 601.39 | 606.20 | 583.73 | 578.52 | 463.76 |
| 49 INDUSTRIAL GROUP (484) | 498.78 | +0.6 | 10.27 | 4.15 | 12.07 | 495.68 | 496.39 | 483.95 | 470.34 | 444.55 |
| 51 Oils (16) | 1163.34 | +1.5 | 12.58 | 5.80 | 9.86 | 1146.70 | 1136.72 | 1120.68 | 1081.68 | 901.71 |
| 59 500 SHARE INDEX | 554.56 | +0.8 | 10.68 | 4.44 | 11.61 | 550.31 | 550.12 | 537.39 | 521.64 | 482.67 |
| 61 FINANCIAL GROUP (120) | 364.22 | +1.4 | — | 5.86 | — | 359.30 | 359.83 | 352.14 | 344.83 | 326.47 |
| 62 Banks (6) | 349.99 | +1.4 | 26.07 | 8.10 | 4.51 | 345.09 | 352.36 | 343.02 | 336.01 | 366.39 |
| 63 Discount Houses (7) | 417.06 | +0.3 | — | 7.31 | — | 416.02 | 412.41 | 412.31 | 413.45 | 307.63 |
| 65 Insurance (Life) (9) | 463.02 | +0.7 | — | 5.75 | — | 459.94 | 459.91 | 454.91 | 443.08 | 418.02 |
| 66 Insurance (Composite) (9) | 277.52 | +2.7 | — | 6.42 | — | 270.11 | 266.79 | 260.52 | 253.08 | 218.78 |
| 67 Insurance (Brokers) (6) | 724.10 | +0.3 | 10.04 | 4.65 | 13.87 | 721.79 | 718.01 | 704.00 | 698.30 | 555.27 |
| 68 Merchant Banks (12) | 208.25 | +0.7 | — | 4.82 | — | 206.89 | 207.74 | 202.20 | 194.83 | 177.97 |
| 69 Property (53) | 555.89 | +1.4 | 5.54 | 3.76 | 24.38 | 548.04 | 545.04 | 535.72 | 528.28 | 476.87 |
| 70 Other Financial (18) | 235.46 | +0.5 | 12.09 | 5.84 | 10.00 | 234.20 | 235.57 | 228.06 | 225.13 | 246.56 |
| 71 Investment Trusts (106) | 476.82 | +1.1 | — | 3.83 | — | 471.41 | 468.94 | 457.91 | 458.72 | 412.14 |
| 81 Mining Finance (4) | 300.63 | −0.3 | 9.27 | 4.99 | 13.79 | 301.50 | 302.83 | 299.31 | 290.04 | 279.16 |
| 91 Overseas Traders (16) | 542.00 | — | 8.84 | 7.81 | 14.03 | 542.23 | 540.84 | 534.39 | 528.01 | 453.24 |
| 99 ALL-SHARE INDEX (746) | 505.70 | +0.9 | — | 4.67 | — | 501.41 | 501.29 | 490.80 | 477.21 | 442.25 |

| | Index No. | Day's Change | Day's High | Day's Low | | Tues June 5 | Mon June 4 | Fri June 1 | Thurs May 31 | Year ago |
|---|---|---|---|---|---|---|---|---|---|---|
| FT-SE 100 SHARE INDEX | 1087.9 | +10.1 | 1088.2 | 1080.0 | — | 1077.8 | 1078.0 | 1021.8 | 1026.6 | [illegible] |

## FIXED INTEREST

| PRICE INDICES | Wed June 6 | Day's change % | Tues June 5 | xd adj. today | xd adj. 1984 to date |
|---|---|---|---|---|---|
| British Government | | | | | |
| 1 5 years | 115.76 | +0.07 | 115.69 | — | 5.18 |
| 2 5–15 years | 126.91 | −0.26 | 127.24 | — | 5.22 |
| 3 Over 15 years | 136.02 | −0.33 | 136.47 | — | 4.82 |
| 4 Irredeemables | 144.09 | −0.04 | 144.15 | — | 6.30 |
| 5 All stocks | 126.14 | −0.17 | 126.35 | — | 5.16 |
| 6 Debentures & Loans | 104.05 | +0.16 | 103.89 | — | 4.99 |
| 7 Preference | 76.63 | — | 76.63 | — | 3.18 |

| AVERAGE GROSS REDEMPTION YIELDS | Wed June 6 | Tues June 5 | Year ago (approx.) |
|---|---|---|---|
| British Government | | | |
| 1 Low Coupons 5 years | 11.06 | 11.06 | 9.53 |
| 2 Low Coupons 15 years | 10.89 | 10.83 | 10.85 |
| 3 Low Coupons 25 years | 10.30 | 10.26 | 9.74 |
| 4 Medium Coupons 5 years | 11.81 | 11.78 | 11.27 |
| 5 Medium Coupons 15 years | 11.24 | 11.19 | 10.73 |
| 6 Medium Coupons 25 years | 10.52 | 10.49 | 10.26 |
| 7 High Coupons 5 years | 11.96 | 11.93 | 11.30 |
| 8 High Coupons 15 years | 11.40 | 11.35 | 10.99 |
| 9 High Coupons 25 years | 10.60 | 10.57 | 10.33 |
| 10 Irredeemables† | 10.19 | 10.18 | 9.76 |
| 11 Debs & Loans 5 years | 12.39 | 12.43 | 11.96 |
| 12 Debs & Loans 15 years | 12.56 | 12.61 | 11.56 |
| 13 Debs & Loans 25 years | 12.58 | 12.61 | 11.92 |
| 14 Preference | 12.88 | 12.88 | 12.21 |

†Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A list of constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.

## EUROPEAN OPTIONS EXCHANGE

| Series | | Aug. Vol. | Aug. Last | Nov. Vol. | Nov. Last | Feb. Vol. | Feb. Last | Stock |
|---|---|---|---|---|---|---|---|---|
| GOLD C | $350 | — | — | — | — | 2 | 75 | $391.60 |
| [illegible] | | | | | | | | |

TOTAL VOLUME IN CONTRACTS 10,208

A=Ask B=Bid C=Call P=Put

## LONDON TRADED OPTIONS

| Option | | Calls July | Calls Oct. | Calls Jan. | Puts July | Puts Oct. | Puts Jan. |
|---|---|---|---|---|---|---|---|
| B.P. (*528) | 420 | 116 | 125 | — | 4 | 4 | — |
| | 460 | 75 | 85 | 93 | 5 | 8 | 12 |
| | 500 | 38 | 50 | 68 | 8 | 20 | 27 |
| | 550 | 17 | 27 | 55 | 32 | 40 | 45 |
| Cons. Gold (*579) | 460 | 127 | — | — | 1½ | — | — |
| [illegible] | | | | | | | |

| Option | | Calls Aug. | Calls Nov. | Calls Feb. | Puts Aug. | Puts Nov. | Puts Feb. |
|---|---|---|---|---|---|---|---|
| LASMO (*306) | 260 | 55 | — | — | 5 | — | — |
| | 280 | 38 | 48 | 58 | 8 | 14 | 20 |
| | 300 | 28 | 38 | 47 | 18 | 25 | 33 |
| | 330 | 16 | 27 | 30 | 35 | 40 | 48 |
| | 360 | 9 | 17 | — | 60 | 67 | — |
| Lonrho (*128) | 110 | 22 | — | — | 1 | — | — |
| [illegible] | | | | | | | |

June 6. Total Contracts 6,164. Calls 4,388. Puts 1,776.

*Underlying security price.

# FT LONDON SHARE INFORMATION SERVICE

## BRITISH FUNDS

### "Shorts" (Lives up to Five Years)

| 1984 High | Low | Stock | Price £ | + or − | Yield Int. | Red. |
|---|---|---|---|---|---|---|
| 101[illegible] | 100½ | Treas 13pc 1984 | 100⅝ | +[illegible] | 11.93 | 9.50 |
| 105[illegible] | 103[illegible] | Treas. 15pc 1985 | 103[illegible] | +[illegible] | 14.54 | 10.13 |
| 102¾ | 101⅛ | Exch. 12pc Cnv. '85 | 101[illegible] | +[illegible] | 11.84 | 10.05 |
| 95¾ | 93¾ | Treas 3pc 1985 | 94⅝ | +[illegible] | 3.18 | 9.29 |
| 102⅝ | 100[illegible] | Treas 11½pc 1985 | 100[illegible] | +[illegible] | 11.39 | 10.55 |
| 99¾ | 97½ | Treas 8¾pcCnv '85 | 97[illegible] | +[illegible] | 8.95 | 10.59 |
| 104[illegible] | 101[illegible] | Exch. 12¼pc 1985 | 101[illegible] | +⅛ | 12.03 | 10.82 |
| 103[illegible] | 100[illegible] | Exch. 11¼pc '86 | 101[illegible] | +⅛ | 11.61 | 10.91 |
| 102[illegible] | 97¾ | Treas. 10pcCnv 1986 | 98½ | −[illegible] | 10.15 | 10.88 |
| 90¼ | 88¾ | Treas 3pc 1986 | 88[illegible] | ..... | 3.37 | 9.34 |
| 102 | 98⅝ | Exch. 10½pc Cv '86 | 99⅝ | +[illegible] | 10.57 | 10.85 |
| 104[illegible] | 100⅞ | Treas 12pc 1986 | 101⅝xd | +[illegible] | 11.81 | 11.08 |
| 98¾ | 94½ | Treas 8½pc 1984-86‡‡ | 95¾ | ..... | 8.88 | 10.86 |
| 108[illegible] | 104[illegible] | Exch. 14pc 1986 | 105½ | ..... | 13.27 | 11.28 |
| 87¼ | 85 | Exch. 2½pc 1986 | 85⅞ | ..... | 2.93 | 9.28 |
| 107[illegible] | 103¼ | Exch. 13¾pc 1987 | 103⅞ | ..... | 12.76 | 11.46 |
| 100⅞ | 96[illegible] | Treas 10¼%Cv '87 | 97[illegible] | +[illegible] | 10.55 | 11.46 |
| 86¼ | 83¾ | Exch 2½pc 1987 | 83½ | +¼ | 2.99 | 9.52 |
| 101[illegible] | 96[illegible] | Exch. 10½pc 1987 | 97[illegible] | ..... | 10.73 | 11.40 |
| 92[illegible] | 88¼ | Funding 6½pc '85-87‡‡ | 88¼ | −[illegible] | 7.33 | 11.13 |
| 99⅝ | 95[illegible] | Treas. 10pc 1987 | 96½xd | +[illegible] | 10.38 | 11.46 |
| 85 | 81[illegible] | Treas 3pc 1987 | 82 | +¼ | 3.66 | 9.88 |
| 105 | 100[illegible] | Treas. 12pc 1987 | 101[illegible] | ..... | 11.84 | 11.49 |
| 94⅞ | 89⅝ | Treas 7¾pc 1985-88‡‡ | 89⅝ | −[illegible] | 8.65 | 11.28 |
| 100⅝ | 95½ | Exch 10½pc '88 | 96[illegible] | −[illegible] | 10.85 | 11.52 |
| 98[illegible] | 92[illegible] | Treas 9¾pc Cv '88 | 94½xd | ..... | 10.36 | 11.62 |
| 82 | 77 | Transport 3pc '78-88 | 77[illegible]xd | +[illegible] | 3.86 | 9.79 |
| 96[illegible] | 91[illegible] | Treas. 9½pc '88 | 92[illegible] | ..... | 10.24 | 11.62 |
| 106⅛ | 98[illegible] | Treas 11½pc 1989 | 99⅛ | −[illegible] | 11.60 | 11.72 |
| 92⅝ | 45½ | Treas9½pcCv'89† £50pd0● | 92[illegible] | −[illegible] | 10.29 | 11.61 |

### Five to Fifteen Years

[illegible]

### Over Fifteen Years

[illegible]

### Undated

[illegible]

### Index-Linked

[illegible]

## INT. BANK AND O'SEAS GOVT STERLING ISSUES

[illegible]

## CORPORATION LOANS

[illegible]

## COMMONWEALTH AND AFRICAN LOANS

[illegible]

## LOANS

### Building Societies

[illegible]

### Public Board and Ind.

[illegible]

### Financial

[illegible]

## FOREIGN BONDS & RAILS

[illegible]

## AMERICANS

[illegible]

## CANADIANS

[illegible]

## BANKS, HP & LEASING

[illegible]

### Hire Purchase, Leasing, etc.

[illegible]

## BEERS, WINES & SPIRITS

[illegible]

## BEERS, WINES—Cont.

[illegible]

## BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

## CHEMICALS, PLASTICS

[illegible]

## DRAPERY AND STORES

[illegible]

## DRAPERY & STORES—Cont.

[illegible]

## ELECTRICALS

[illegible]

## ENGINEERING

[illegible]

## ENGINEERING—Continued

[illegible]

## FOOD, GROCERIES, ETC

[illegible]

## HOTELS AND CATERERS

[illegible]

## HOTELS—Continued

[illegible]

## INDUSTRIALS (Miscel.)

[illegible]

## INDUSTRIALS—Continued

[illegible]

## INSURANCES

[illegible]

## LEISURE

[illegible]

## LEISURE—Continued

[illegible]

## MOTORS, AIRCRAFT TRADES

### Motors and Cycles

[illegible]

### Commercial Vehicles

[illegible]

### Components

[illegible]

### Garages and Distributors

[illegible]

## NEWSPAPERS, PUBLISHERS

[illegible]

## PAPER, PRINTING ADVERTISING

[illegible]

## PROPERTY

[illegible]

## PROPERTY—Continued

[illegible]

## SHIPPING

[illegible]

## SHOES AND LEATHER

[illegible]

## SOUTH AFRICANS

[illegible]

## TEXTILES

[illegible]

## TOBACCOS

[illegible]

## TRUSTS, FINANCE, LAND

### Investment Trusts

[illegible]

## INVESTMENT TRUSTS—Cont.

[illegible]

### Finance, Land, etc

[illegible]

## OIL AND GAS

[illegible]

## OIL AND GAS—Continued

[illegible]

## OVERSEAS TRADERS

[illegible]

## PLANTATIONS

### Rubbers, Palm Oil

[illegible]

### Teas

[illegible]

## MINES

### Central Rand

[illegible]

### Eastern Rand

[illegible]

### Far West Rand

[illegible]

### O.F.S.

[illegible]

### Finance

[illegible]

### Diamond and Platinum

[illegible]

### Central African

[illegible]



## MINES—Continued

| 1984 High | Low | Stock | Price | + or − | Div Net | C'vr | Y'ld Gr's |
|---|---|---|---|---|---|---|---|
| | | **Australians** | | | | | |
| 18 | 14 | ♥ACM 20c | 14½ | .... | — | — | — |
| 38 | 25 | ♥Allstate Explm NL | 25 | .... | — | — | — |
| 10½ | 4 | ♥Asia Oil & Minerals | 5¾ | .... | — | — | — |
| 19 | 12 | ♥Aust Hydrocarbons NL | 12 | .... | — | — | — |
| 28 | 20½ | ♥Australis Mng NL | 22 | .... | — | — | — |
| 45 | 15 | ♥Balmoral Res | 33 | .... | — | — | — |
| 36 | 23 | ♥Black Hill Mins | 24 | .... | — | — | — |
| 104 | 77 | ♥Bond Corp | 83 | .... | Q10c | 0.7 | 7.8 |

[illegible]

### Tins

[illegible]

### Miscellaneous

[illegible]

| 1984 High | Low | Stock | Price | + or − | Div Net | C'vr | Y'ld Gr's |
|---|---|---|---|---|---|---|---|
| 370 | 235 | ♥Centennial Min's | 235 | −5 | — | — | — |
| 175 | 115 | ♥Colby Res Corp | 120 | ...... | — | — | — |
| 955 | 740 | Cons. Murch. 10c | 850 | ...... | 100c | 1.4 | 0.7 |
| £20 | £15 | Eastern Tns. Cns 50c | £19½ | +1 | Q90c | ♦ | 2.6 |
| | | For Echo Bay Mines see Canadians | | | | | |
| 252 | 203 | Hampton Areas 10p | 220 | ...... | 3.75 | 2.1 | 2.3 |
| 205 | 165 | ♥Highwood Res | 165 | −10 | — | — | — |
| £24½ | £19⅝ | Homestake Mining $1 | £22⅝ | ...... | Q20c | — | 0.7 |
| 365 | 275 | Northgate C$1 | 310 | ...... | — | — | — |
| 718 | 592 | RTZ | 615 | −4 | 18.0 | 2.5 | 4.2 |
| £156½ | £130 | Do 9½pcLn '95-2000 | £137½ | ...... | Q9½% | 35.4 | †7.4 |
| 110 | 60 | ♥Sabina Inds C$1 | 65 | ...... | — | — | — |
| £11¼ | 875 | ♥Tara Explm $1 | 925 | ...... | — | — | — |

## NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable, bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution, this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap Stock".
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- ♥ Not officially UK listed; dealings permitted under Rule 163(4)(a).
- ✣ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 163(3).
- § Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- ✦ Not comparable.
- ✦ Same interim, reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ✯ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ■ No par value.

B.Fr. Belgian Francs. Fr. French Francs. ♦♦ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other offer estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1983-84. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or official estimates for 1984. M Dividend and yield based on prospectus or other official estimates for 1985-86. N Dividend and yield based on prospectus or other official estimates for 1985. P Figures based on prospectus or other official estimates for 1983. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xc ex capital distribution.

## REGIONAL & IRISH STOCKS

The following is a selection of Regional and Irish stocks, the latter being quoted in Irish currency.

| | | | | | |
|---|---|---|---|---|---|
| | | | Fin. 13% 97.02 | £93⅜ | +⅛ |
| Albany Inv 20p | 78 | ...... | Alliance Gas | 50 | ...... |
| Craig & Rose £1 | 750 | ...... | Arnott | 220 | ...... |
| Finlay Pkg. 5p | 43 | ...... | CPI Hldgs. | 85 | ...... |
| Higsons Brew. | 83xd | ...... | Carroll Inds. | 120 | ...... |
| Holt (Jos) 25p | 880 | ...... | Hall (R. & H.) | 58 | −2 |
| IoM Stm. £1 | 135 | +1 | Heiton Hldgs. | 39 | ...... |
| | | | Irish Ropes | 42 | ...... |
| **IRISH** | | | Jacob (W.& R.) | 66 | ...... |
| Exch. 12% 1985 | £99 | ..... | TMG | 50 | ...... |
| Nat. 9¾% 84/89 | £89 | ..... | Unidare | 83 | ...... |

## OPTIONS — 3-month call rates

| | | | | | |
|---|---|---|---|---|---|
| **Industrials** | | Hawker Sidd | 38 | Vickers | 14 |
| Allied-Lyons | 15 | Hse of Fraser | 26 | Woolworth Hldg | 50 |
| BOC Grp | 27 | ICI | 42 | | |
| BSR | 26 | "Imps" | 12 | **Property** | |
| Babcock | 17 | ICL | 7½ | Brit Land | 11 |
| Barclays Bank | 45 | Ladbroke | 23 | Cap Counties | 16 |
| Beecham | 32 | Legal & Gen | 45 | Land Secs | 25 |
| Blue Circle | 40 | Lex Service | 40 | MEPC | 25 |
| Boots | 16 | Lloyds Bank | 50 | Peachey | 17 |
| Bowaters | 25 | "Lofs" | 3 | Samuel Props | 12 |
| Brit Aerospace | 20 | Lucas Inds | 18 | Sterling Guar. | 4 |
| BAT | 15 | "Mams" | 14 | | |
| Brown (J.) | 3 | Marks & Spcr | 20 | **Oils** | |
| Burton Ord | 22 | Midland Bk | 36 | Brist. Oil & Min | 9 |
| Cadburys | 11 | NEI | 10 | Brit Petroleum | 35 |
| Comm Union | 16 | Nat West Bk | 60 | Burmah Oil | 17 |
| Courtaulds | 11 | P & O Dfd | 25 | Charterhall | 9 |
| Debenhams | 14 | Plessey | 20 | Premier | 6 |
| Distillers | 22 | Racal Elect | 18 | Shell | 55 |
| Dunlop | 5 | RHM | 8 | Tricentrol | 20 |
| FNFC | 6¼ | Rank Org Ord | 24 | Ultramar | 60 |
| Gen Accident | 42 | Reed Intnl | 48 | | |
| Gen Electric | 16 | Sears | 8 | **Mines** | |
| Glaxo | 70 | TI | 22 | Charter Cons | 24 |
| Grand Met | 30 | Tesco | 16 | Cons Gold | 58 |
| GUS 'A' | 65 | Thorn EMI | 65 | Lonrho | 12 |
| Guardian | 50 | Trust Houses | 18 | Rio T Zinc | 60 |
| GKN | 20 | Turner Newall | 10 | | |
| Hanson Tst | 17 | Unilever | 75 | | |

*A selection of Options traded is given on the London Stock Exchange Report page.*

"Recent Issues" and "Rights" Page 37

# AUTHORISED UNIT TRUSTS

# FT UNIT TRUST INFORMATION SERVICE

# INSURANCES

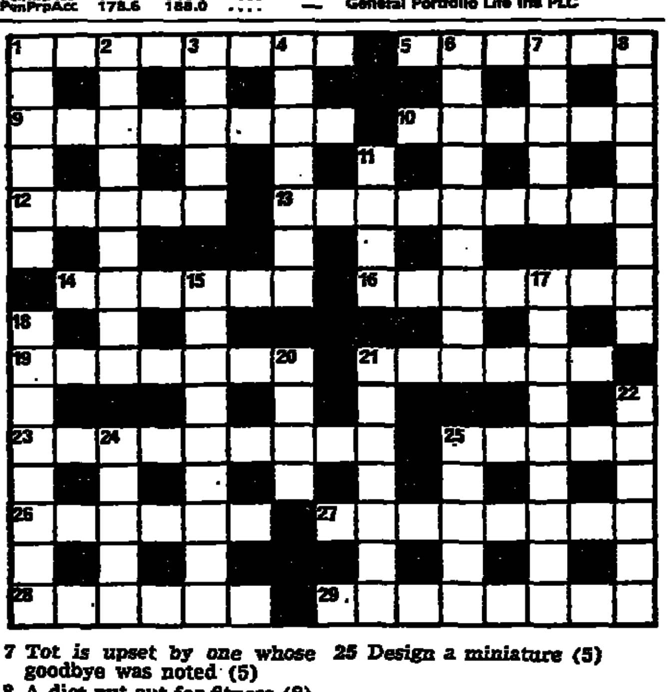
## Insurances—continued

## Offshore & Overseas—continued

## Money Market Trust Funds

## Money Market Bank Accounts

## F.T. CROSSWORD PUZZLE No. 5,435



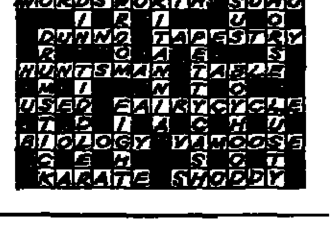
### ACROSS

1 Agitated cowhands demonstrating how they want to be paid (4, 4)
5 Barmaid argued about a pound (6)
9 Eden is in the march past (8)
10 Provide compensation for the printer (6)
12 Suggest I am to practise a trade, apparently (5)
13 He may explain changes to incomes (9)
14 Refuse to acknowledge down is out (6)
16 Yelled out in the hangar (7)
19 Saucy girl the guard will keep his eye on? (7)
21 Filter the air (6)
23 Acts die in variety shows (9)
25 Minister's house with only male quarters (5)
26 Whole hearted response to a strike call? (3, 3)
27 Part of a movement set to swing time (8)
28 Health-giving drinks (6)
29 Lois died broke but greatly admired (8)

### DOWN

1 A round game perhaps (3-3)
2 A very strong sticking-plaster (9)
3 Tricky and evasive? (5)
4 Musically attached to country-squire? (7)
6 Obviously not in the pink (3-6)
7 Tot is upset by one whose goodbye was noted (5)
8 A diet put out for fitness (8)
11 Control knob (4)
15 Because you'd prefer to pay later? (2, 7)
17 What figures neat girls display (9)
18 After an order, is the worker showing respect? (8)
20 Consumes a set recipe (4)
21 Stay and use up the money going around America (7)
22 Smiled widely, having support (6)
24 Girl wasn't well brought up (5)
25 Design a miniature (5)

**Solution to Puzzle No. 5,434**



# INSURANCE & OVERSEAS MANAGED FUNDS

## OFFSHORE AND OVERSEAS

**World Wide Growth Management**
10a, Boulevard Royal, Luxembourg

| | | | | |
|---|---|---|---|---|
| Worldwide Gth Fd | $11 77 | — | -0.07 | — |

Inv. Adv.: M. & G. Inv. Mngt., Ltd., London

**Wren Commodity Management Ltd.**
10, St. George's St., Douglas IoM 0624 25015

| | | | | |
|---|---|---|---|---|
| Wren Com. Fund | 36 7 | 17 4 | ... | — |
| Chinese Fund | 60.1 | 62 6 | ... | — |
| Precious Metal Fund | 137 8 | 143.3 | | — |
| Vanguard Cmdy Fd | 29 0 | 29 8 | ... | — |
| Financial Futures Fd | 55.3 | 57 5 | | — |

## NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix refer to U.S. dollars. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. Z Previous day's price. ¶ Guernsey gross. ø Suspended. ♦ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies. ♦ Yield column shows annualised rate of NAV increase.

# China profits from deals in U.S. wheat

BY NANCY DUNNE IN WASHINGTON

CHINA HAS turned a profit buying, selling and repurchasing U.S. wheat in recent weeks. According to Chicago market sources China sold about 340,000 tonnes two weeks ago and began buying it back last week after prices fell.

A market analyst said: "They are astute traders. It happens all the time but with our grain reporting system here it gets more publicity."

Meanwhile the U.S. department of Agriculture, in an outlook and situation report, predicted that China's grain output this year would rise by 1 per cent to 390m tonnes but the wheat crop would fall by about 2 per cent.

The department says rice and coarse grain production could hit record totals and a good cotton crop is likely. The oilseed out-turn is projected to equal the 28.7m tonnes of last year.

Output of meat and other livestock products should grow at a modest pace because improving the industry has become a top priority for the Chinese farm sector.

Peking is expected to increase grain imports from 10m to 10.5m in 1983-84 to about 13m in 1984-85. So far this calendar year China has bought about 4.5m tonnes of grain with 3.3m of that purchased from the U.S., following 3.8m tonnes last year.

Departmental analysts expect a purchase of about 1m tonnes from Canada by the end of next month, so that China may honour its long-term grain agreement with the Canadians.

The Chinese have promised to fulfil their grains pact with the U.S., which would require a total purchase of 12m tonnes for 1983 and 1984. An USDA official said that while they could conceivably contract for that amount this year, it would be virtually impossible to expect shipment of the remaining 4.9m tonnes by the end of December.

In recent years reforms boosted Chinese agricultural productivity. Policies requiring each farm region to be self-sufficient are being relaxed and farmers are now permitted to specialise in production according to locality.

# Boost for coffee supplies

THE International Coffee Organisation executive board has agreed measures to boost availability of coffee, which recently soared to the highest price levels in London for seven years.

The ICO, which uses export quota restrictions to control the market, agreed to immediately release the remaining 1m bags (60 kilos each) of producer-countries' quotas for the April-June quarter.

It also decided to make immediately available the fourth quarter quota, excluding the 2m bags usually retained to deal with possible quota cuts which might be triggered by subsequent price falls.

Shipping delays and shortage of high-quality Brazilian and West African coffees have been blamed for rises in prices, which began to spiral after drought in West Africa and heavy rain in Brazil affected last year's harvest.

This week's decision follows release of extra quotas by the ICO since last December in an attempt to keep prices down.

The ICO also decided that any shortfalls declared by countries unable to meet quotas would be redistributed among other exporters.

Earlier, consumer delegates at the board meeting said the packages' main thrust would be to enable producers with saleable coffee to make it available to the market. Reuter

# Main crop potato prices rise sharply

MAIN CROP potato prices moved sharply higher last week reflecting dwindling supplies from the 1983-84 harvest. The Potato Marketing Board reported a £20.15 rise in the average producer price to £244.46 a tonne—about four times the level ruling at this time last year.

Following last year's wet spring, which hindered plantings, and the dry summer, which restricted growth, supplies are very limited.

● THE average price of all tea sold at the London auction on Monday fell to 247.63p a kilo from 253.12p two weeks ago, according to the Tea Brokers Association.

● THE American Soybean Association's annual outlook conference will take place on October 9-10 at the Post House Hotel, West Drayton, Middlesex.

● THE London Rubber Terminal Market Association has set up a working party to consider alternative forms of futures contract aimed at improving the level of trading on the London rubber futures market.

● A CODE for the dairy industry to standardise colours used for bottle-tops on semi-skimmed and skimmed milks has been introduced by the National Dairymen's Association. The aim is to help the housewife distinguish between whole milks, semi-skimmed and skimmed milks.

● AMAX Lead and Zinc has declared force majeure on sulphuric acid shipments and its share of the Amax-Homestake smelter shipments of lead, effective June 1. This follows the announcement that labour contract negotiations between Amax Lead of Missouri and United Steelworkers of America have been broken off and its employees have gone on strike.

● TAX changes to make it easier for farmers and landowners to sell up and retire are being urged on the Government by the Country Landowners' Association.

# March of Spanish lemons faces setback

CITRUS IS synonymous with Spain to the average Briton. How far Spanish citrus is synonymous with the lemon, however, is less clear, writes a special correspondent.

Britain bought from Spain just more than 8,000 tonnes of lemons in the 1978-79 season, 22,265 tonnes in 1981-82, and, with Continental above UK prices, just 16,550 tonnes in 1982-83.

To the end of last month 12,198 tonnes of Spanish lemons were imported, 20 per cent more than in the corresponding period a year ago. If the market were left to its own devices the final 1983-84 figure could surpass the record of two years.

As an absolute the figure that climaxed those years of expansion might not be impressive when it is realised that Britain's purchases of Spanish lemons are exceded by those of the Soviet Union, which buys 50 per cent more, West Germany, taking twice as much, and France with three times the UK appetite.

Yet the trend it represents is not at all ordinary. The rise in Britain's consumption of Spanish lemons has been greater than that in any other European country. Deliveries to Britain have been growing faster than those of any other kind of citrus.

The intake of even such spectacular successful soft citrus varieties as satsumas and clementines doubled only over the period in which that of lemons trebled.

The phenomenon is linked with the fact that whereas not long ago Spain produced 10 per cent of Europe's lemons only, today she accounts for 45 per cent of them and 25 per cent of world output. Yet for the time being the march of Spanish lemons may have been halted of even reversed.

Since June 1 letting, as in the children's game, most of the year's oranges through but chopping the lemons off, the European Economic Comunity's reference price for the fruit rose by 20 per cent.

This forced Spain henceforth to study its exports to Europe critically so that they do not depress prices on the market below the level at which the Community's tariff against them would double.

As from that date the Spanish influx that would have kept swelling if the market had remained the arbiter has been artificially curbed. Prices in Britain will inevitably rise as a result.

Spanish exporters hope the jolt to the industry's export prospects will be but temporary pending Spain's entry to the Common Market that is now penalising it. Nowhere is the hope stronger than in the Province of Murcia, southern Spain.

Murcia produces about 40 per cent of Spain's lemons, expected this year to total a record 525,000 tonnes compared with 426,000 tonnes last year.

Spain's largest lemon producer and exporter is in Murcia, a company called Mariaga selling under the brand-name Tana. The business was founded by Sr Jose-Antonio Canovas after World War Two when he was aged 20, with the aid of a Pta 20,000 bank loan.

This year he showed a group of British visitors over the Mariaga estate for a glimpse of the surge Spain's lemon industry is undergoing. It demonstrated why Italian producers, Spain's chief European rivals, should be quaking at the prospect of losing their tariff protection against Spain when the Iberian producer joins the EEC.

To plantings initiated with his first loan Sr Canovas began seven years ago to add more trees on hundreds of terraces carved out of a formerly arid mountain with which no one had ever before wrestled.

Six years of round-the-clock work by five bulldozers, the sinking of deep wells for water, the construction of reservoirs and pumping-stations and the provision of 40 km of tubing to irrigate trees individually at their roots have given Mariaga an additional 320 hectares (791 acres) of dark green trees with the biggest healthiest of lemons dangling from them.

In some quarters there is nervousness about the impact Mariaga's output, destined to reach 30,000 tonnes a year, or more than Britain's total intake, could have on markets. Sr Canovas, however, is confident enough to have invested no less than Pta 400m (£1.9m) in the project, which has become the country's biggest of its kind.

He plans to spread production as evenly as possible through the whole year, keep costs under strict control, takes heart from the health-consciousness that has burgeoned among consumers and is bubbling with marketing ideas.

Not only is he looking to push sales as far afield as Japan, which now buys mostly from California and South Africa, but he is alongside research that he thinks will beat technical problems.

This includes investigating how to hold and preserve a liquid with all the destructiveness of an acid and for which demand in Britain has lagged while that for all other fruit-juices has soared.

He is also pinning hopes on quality. He told his British visitors: "There is too much so-called pure orange-juice about that contains hardly any of the real thing. It will not be like that with our lemons."

# Replanting of half Borneo forest burnt will take 15 years

IT WILL take Indonesia 15 years to replant less than half of the Borneo forests destroyed by a fire experts call the century's biggest single environmental disaster.

What may have been the world's worst continuous forest fire burned at least 3.5m hectares—8.7m acres or about 13,500 square miles—of tropical forest in East Kalimantan province between February and June last year.

East Kalimantan is one of four Indonesian provinces on Borneo, the world third-largest island, which this country shares with two East Malaysian states and the Kingdom of Brunei.

Though smoke from the blaze blanketed wide areas of South-East Asia at the time, closing airports, stinging eyes and forcing motorists to use headlights in the day, the dimensions of disaster did not become clear until last month.

By then the International Union for Conservation of Nature and Natural Resources had evidence that a huge area had gone up in smoke.

Indonesian officials confirm the union's findings. Forestry Inspector-General Mr Hendri Santoso said the immediate cause of the fire was unknown.

He said: "There are many possibilities that might have caused the fire. It is not out of the question it was deliberately set by someone."

He did not rule out the possibility logging concessionaires ignited the dry forest hoping it would cover their neglect to carry out obligations to plant a seedling for every tree felled.

The union, a Paris-based alliance of conservationists, said East Kalimantan was usually one of the dampest parts of the world. Two years of severe drought resulting from the El Nino ocean current, however, had made the forest vulnerable.

It said: "In parts of the areas affected, underlying deposits of soft coal (lignite) and peat kept fires smouldering for months, to break out time after time in different parts.

"In these spots, where the earth literally caught fire, the forest had no chance of survival."

Initial government reports, based on logging contractors' data, said 300,000 hectares (741,290 acres) only were lost.

Mr Erry Soepardjan, the former East Kalimantan governor, was quoted last May by Indonesia's official Antara news agency, describing the blaze as "nothing serious." Dense smoke prevented aerial surveys.

The latest assessment shows the fire destroyed the equivalent of two-thirds of the annual loss of forest cover worldwide. Indonesia has more of the world's remaining tropical moist forest than any other nation except Brazil, about half of it in Kalimantan.

West German experts helping Indonesia's foresters say about half the forest, including giant hardwood trees known as meranti, evergreens, plants and vines, were destroyed.

Mr Hendra Prastowo, head of East Kalimantan's forestry office, said the planting of 250,000 hectares (617,742 acres) was planned in Indonesia's latest five-year development plan which began last month.

By 1999 the authorities hope to have reafforested more than 1.3m (3.2m acres)

Natural recovery has begun in some areas now that rains have returned.

About 2.1m hectares (5.2m acres) of the charred forest were controlled by 106 logging companies, according to official records. A West German estimate puts the loss of saleable timber at the equivalent of $5-6bn (£4m).

Mr Prastowo declined to estimate the loss "because it is not just a matter that is concerned wtih the commercial value of timber being lost but more important still is the destruction of the ecosystem."

It promises to alter Jakarta's target for moving more than 100,000 families to settlements in East Kalimantan from overcrowded Java, a plan that envisages clearing large tracts of forest. AP

## PRICE CHANGES

| In tonnes unless stated otherwise | June 6 1984 | + or — | Month ago |
|---|---|---|---|
| **Metals** | | | |
| Aluminium | £1100 | ........ | £1100 |
| Free Mkt | $1370/1400 | ........ | $1530/360 |
| Copper | | | |
| Cash h Grade | £1006.75 | —0.5 | £1018.5 |
| 3 mths | £1025.75 | +0.5 | £1030.25 |
| Cash Cathode | £1007.5 | | £1012.5 |
| 3 mths | £1021.25 | +2.25 | £1022.5 |
| Gold troy oz. | $392 | —2 | $373 |
| Lead Cash | £326 | —1.75 | £316 |
| 3 mths | £329.75 | —1 | £321.75 |
| Nickel | £5097 | ........ | £4988 |
| Free Mkt | 215/235c | ........ | 215/235c |
| Palladium oz | $153.25 | —1.5 | $152.75 |
| Platinum oz | $394.50 | —2.5 | $383.75 |
| Quicksilver† | $295/305 | ........ | $300/310 |
| Silver troy oz | 666.10p | —2.00 | 625.65p |
| 3 mths | 681.20p | —1.85 | 639.60p |
| Tin cash | £9082.5 | +10 | £9031.5 |
| 3 months | £9025.5 | +10 | £9029 |
| Tungsten | $84.14 | ........ | $83.51 |
| Wolfram22.04lb | $85/89 | ........ | $85/89 |
| Zinc | £781 | —5.5 | £694.5 |
| 3mths | £673.25 | —0.75 | £676.5 |
| Producers | $1050/1090 | ........ | $1050/1090 |

| | June 6 1984 | + or — | Month ago |
|---|---|---|---|
| **Oils** | | | |
| Coconut (Phil) | $1370x | +20 | $1265 |
| Groundnut | ‡ | ........ | ‡ |
| Linseed Crude | ‡ | ........ | ‡ |
| Palm Malayan | $860 | ........ | $870 |
| **Seeds** | | | |
| Copra Phil. | $830y | ........ | $760 |
| Soyabean (U.S.) | $327.4 | +3.4 | $337.5 |
| **Grains** | | | |
| Barley Fut. Sep. | £107.50 | ........ | £106.50 |
| Maize | £151.50 | ........ | £146.75 |
| Wheat Fut. Sep. | £108.25 | ........ | £127.50 |
| No2 Hard Wint | ‡ | ........ | ‡ |
| **Other commodities** | | | |
| Cocoa ship't* | £2047 | +19 | £2017 |
| Futures Sep | £1976.5 | +19 | £1946 |
| Coffee Ft. Sep | £2196.5 | —7 | £2186.5 |
| Cotton A index | 85.35c | —1.05 | 89.30c |
| Gas Oil July | $248.5 | —3.25 | $240.75 |
| Rubber (kilo) | 64.5p | —0.5 | 73p |
| Sugar (raw) | $108x | +0.5 | £107.5 |
| Woolt'ps 64s | 476p kilo | ........ | 475pkil |

‡ Unquoted. v July. y July-Aug. x June-July. † Per 75 lb flask. * Ghana cocoa. n Nominal. c Cents per pound.

## LONDON OIL

Weaker physicals and bearish U.S. stock figures brought the Gas Oil market in $1.00-2.00 lower and prices continued to drift down through the day as Tuesday's nervousness gave way to fundamental considerations. Profit-taking lifted prices from the lows on the close, reports Premier Man.

### SPOT PRICES

| | Latest | Change + or — |
|---|---|---|
| CRUDE OIL—FOB ($ per barrel) | | |
| Arabian Light | 28.35-28.45 | — |
| Dubai Fateh | 28.15-28.20 | — |
| Arab Heavy | 27.10-27.25 | +0.02 |
| North Sea (Forties) | 29.55-29.90 | — |
| North Sea (Brent) | 29.85-29.95 | —0.10 |
| African Bonny L'ht | 29.90-30.00 | — |

PRODUCTS—North West Europe ($ per tonne)

| | | |
|---|---|---|
| Premium gasoline | 276-283 | —0.5 |
| Gas Oil | 246-248 | —1.5 |
| Heavy fuel oil | 181-184 | —3.5 |

### GAS OIL FUTURES

| Month | Yest'day's close | + or — | Business Done |
|---|---|---|---|
| | $ U.S. per tonne | | |
| June | 248.75 | —2.75 | 250.00-46.00 |
| July | 248.50 | —3.25 | 250.75-48.00 |
| Aug | 250.50 | —3.25 | 251.75-49.75 |
| Sept | 252.50 | —3.50 | 254.00-52.00 |
| Oct | 254.50 | —3.00 | 256.75-54.50 |
| Nov | 257.00 | —2.50 | 257.50-57.00 |
| Dec | 259.25 | —1.50 | 259.25 |
| Jan | 258.50 | —3.00 | 259.75-56.50 |
| Feb | 258.00 | —3.50 | — |

## GOLD MARKETS

Gold fell $2 an ounce from Tuesday's close in the London bullion market yesterday to finish at $391¾-392¼. The metal opened at $393¼-393¾, which proved to be the day's highest level and touched a low of $390¼-390¾.

In Paris the 12½ kilo bar was fixed at FFr 104,200 per kilo ($392.48 per ounce) in the afternoon compared with FFr 104,700 ($394.50) in the morning and FFr 104,400 ($393.38) on Tuesday afternoon.

In Frankfurt the 12½ kilo bar was fixed at DM 34,040 per kilo ($394.54 per ounce) against DM 33,915 ($395.10) previously and closed at $391¼-392 from $393¾-394¼.

In Zurich gold closed at $391½-392 from $394½-395.

In Luxembourg the dollar per ounce equivalent of the 12½ kilo bar was $399.30 from $395.25.

### LONDON FUTURES

| Month | Yest'days close | + or — | Business Done |
|---|---|---|---|
| | $ per troy ounce | | |
| June | — | — | — |
| Aug | 398.20-98.40 | +2.90 | 400.20-97.80 |
| Oct | 405.80-06.60 | — | — |
| Dec | 414.00-15.50 | —3.25 | — |
| Feb | — | — | — |
| April | — | — | — |

Turnover: 247 (1,510) lots of 100 troy ounces.

| | June 6 | | June 5 | |
|---|---|---|---|---|
| Gold Bullion (fine ounce) | | | | |
| Close | $391¾-392¼ | (£279½-280) | $393¾-394¼ | (£281½-282¼) |
| Opening | $393¼-393¾ | (£282-282½) | $394¼-394¾ | (£281-281¾) |
| Morning fixing | $393.40 | (£281.805) | $394 | (£281.228) |
| Afternoon fixing | $391.65 | (£280.351) | $393.75 | (£281.854) |

Gold and Platinum Coins June 6

| | | | | | |
|---|---|---|---|---|---|
| Krugrnd | $404½-405 | (£288½-288¾) | King Sov | $93-94½ | (£66¼-67¼) |
| ½ Krug. | $208-209 | (£148¼-149) | Victoria Sov | $93-94½ | (£66¼-67¼) |
| ¼ Krug. | $106-107 | (£75½-76¼) | French 20s | $74½-76½ | (£53¼-54½) |
| 1/10 Krug. | $43-44 | (£30¾-31¼) | 50 Pesos Mex | $485-487 | (£346-347¼) |
| Mapleleaf | $403½-404 | (£287¾-288¼) | 100 Cor-Aust | $384-387 | (£275-276) |
| New Sov. | $92½-93 | (£66-66¼) | $20 Eagles | $560-570 | (£399½-406½) |
| ½ New Sov. | $55-57 | (£39¼-40½) | Noble (Plat.) | $405¾-410¼ | (£289¾-293) |

## EUROPEAN MARKETS

PARIS, June 6.

Sugar—(FFr per tone): Aug 1390/1394, Oct 1436/1440, Dec 1535/1545, March 1675/1680, May 1730/1750, Aug 1800/1820.

Cocoa—(FFr per 100 kg): Sept 2345/2350, Dec 2133/2136, March 2060 bid, May 2060 bid, July 2060 bid, Sept 2060 bid.

ROTTERDAM, June 6

Wheat—(U.S. $ per tonne): U.S. two soft red winter June 20/July 20 153.50, Aug 155, Sept 156.50, Oct 161. U.S. two northern spring 14 per cent protein June 183, July 181.50, Aug 179, Sept 177, Oct 179, Nov 181. U.S. three hard amber durum June 191, July 191, Aug 189.50, Sept 183.50, Oct 185.50, Nov 188.50. Canadian one western amber durum June 202.50, June/mid July 198.50, July 200, Nov 202.

Maize—(U.S. $ per tonne): U.S. three yellow afloat 160, June 158, July 158, Aug 159.50, Sept 156, July/Sept 157, Oct/Dec 139.50, Jan/March 146 sellers. Argentine Plate afloat 170, June 168, July 168 sellers.

Soyabeans—(U.S. $ per tonne): U.S. two yellow Gulfports June 321.40, July 322.50, Aug 326.10, Sept 310.75, Oct 285, Nov 284.70, Dec 287.10, Jan 290.70, Feb 295.40, March 298.70 sellers.

Soyameal—(U.S. $ per tonne): 44 per cent June 211, July 212, June/Sept 214, Oct 214, Nov/March 213 sellers. Pellets Brazil afloat 208, June 208, July 209, Aug 215, Sept 218, Oct/Dec 229 sellers. Pellets Argentine afloat 206, May 204.50, June 203, July 204, June/Oct 207.50 sellers.

## BRITISH COMMODITY PRICES

### BASE METALS

BASE METAL PRICES were little changed on hte London Metal Exchange. Copper eased to £1,024.5 in the morning rings, unsettled by lower precious metal prices and a general lack of interest, but subsequently rallied on a firm Compex opening to close the late kerb at £1,029.5. Lead and Zinc were finally £332 and £672.5 respectively.

### COPPER

| COPPER | a.m. Official | + or — | p.m. Unofficial | + or —† |
|---|---|---|---|---|
| High Grde | £ | £ | £ | £ |
| Cash | 1006.5-7 | +1 | 1006.5-6 | —.5 |
| 3 months | 1026.5-7 | +1.5 | 1025.5-6 | +.5 |
| Settlem't | 1007 | +1 | — | ...... |
| Cathodes | | | | |
| Cash | 1008-9 | —1 | 1007-8 | — |
| 3 months | 1022-.5 | +1.75 | 1021-.5 | +2.25 |
| Settlem't | 1009 | —1 | — | ...... |

Amalgamated Metal Trading reported that in the morning cash Higher Grade traded at £1,007, 6.50, three months £1,026.50, 26, 25.50, 26, 26.50. Cathodes: Cash £1,008, 9, three months £1,022, 22.50. Kerb: Higher Grade, three months £1,026.50, 26, 25.50, 25, 24.50. Afternoon: Higher Grade, three months £1,026.50, 27, 26.50, 26, 25, 25.50. Kerb: Higher Grade, three months £1,026.50, 27, 28, 28.50, 29, 29.50. Turnover 23,800 tonnes. U.S. producers 69.00-72.00 cents per pound.

### TIN

| TIN | a.m. Official | + or — | p.m. Unofficial | + or —† |
|---|---|---|---|---|
| High Grde | £ | £ | £ | £ |
| Cash | 9100-5 | +5 | 9095-105 | +10 |
| 3 months | 9058-60 | +24 | 9060-5 | +17.5 |
| Settlem't | 9105 | +5 | — | ...... |
| Standard | | | | |
| Cash | 9085-90 | +5.5 | 9080-5 | +10 |
| 3 months | 9028-30 | +18.5 | 9025-6 | +10 |
| Settlem't | 9090 | —6 | — | ...... |
| Straits E. | $29.17 | ...... | — | ...... |

Tin—Morning: Standard, cash £9,085, 88, three months £9,030, 25, 21, 20, 25, 28. High Grade: Three months £9,060. Kerb: Standard cash £9,090. Afternoon: Standard, cash £9,095, three months £9,030, 26, 25, 28. Kerb: Standard, three months £9,020, 12, 15, 12, 11, 10. Turnover 2,555 tonnes.

### LEAD

| LEAD | a.m. Official | + or — | p.m. Unofficial | + or —† |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 325.5-.75 | +.87 | 325.5-6.5 | —1.75 |
| 3 months | 328.5-9 | +2 | 329.5-30 | —1 |
| Settlem't | 325.75 | +.75 | — | ...... |

Lead—Morning: Cash £325.50, three months £329, 29.50, 29, 28.50, 29. Kerb: Three months £328. Afternoon: Three months £329, 29.50, 30. Kerb: Three months £329.50, 30, 31, 32. Turnover 9,600 tonnes. U.S. Spot 26.00-28.00 cents per pound.

### ZINC

| ZINC | a.m. Official | + or — | p.m. Unofficial | + or —† |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 780-2 | +2.5 | 780-2 | —5.5 |
| 3 months | 670.5-1 | —3.5 | 673-.5 | —.75 |
| Settlem't | 782 | +2 | — | ...... |

Zinc—Morning: Cash £775, 80, 81, 82, three months £669, 68, 69, 69.50, 70, 70.50, 71. Kerb: Three months £670. Afternoon: Cash £779, 80, 81, three months £670, 70.50, 71, 74, 72, 73, 73.50. Kerb: Three months £673, 74, 73, 72, 70.50, 71, 72. Turnover 18,100 tonnes. U.S. Prime Western 52.75-53.75 cents per pound.

### ALUMINIUM

| Alumin'm | a.m. Official | + or — | p.m. Unofficial | + or —† |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Spot | 945-.5 | —3 | 946.5-9.5 | —3.5 |
| 3 months | 955-6 | —3.25 | 959-60 | —3.25 |

Aluminium—Morning: Cash £945.50, 45, three months £957, 56.50, 56, 55, 56, 57, 57.50, 57, 56, 55.50, 55. Kerb: Three months £956, 6.50, 56. Afternoon: Three months £957, 58, 58.50, 59, 59.50, 60. Kerb: Three months £959, 58, 57, 58, 59, 58.50, 58, 57.50, 57, 58. Turnover 20,050 tonnes.

### NICKEL

| NICKEL | a.m. Official | + or — | p.m. Unofficial | + or —† |
|---|---|---|---|---|
| Spot | 3443-5 | +9 | 3420-2 | —1.5 |
| 3 months | 3520-5 | +11 | 3498-500 | —2.5 |

Nickel—Morning: Cash £3,444, 42, three months £3,510, 15, 22. Kerb: Three months £3,515, 10. Afternoon: Three months £3,495, 80, 90, 95, 92, 90, 95, 98. Kerb: Three months £3,500, 5, 10. Turnover 2,730 tonnes.

### SILVER

Silver was fixed 2p an ounce lower for spot delivery in the London bullion market yesterday at 666.1p. U.S. equivalents of the fixing levels were: spot $9.302, down 4.5c; three-month $9.559, down 4.5c; six-month $9.847, down 5.3c; and 12-month $10.465, down 9.1c. The metal opened at 669-672p ($9.33-9.36) and closed at 661-664p ($9.25-9.29).

| SILVER per troy oz | Bullion fixing price | + or — | L.M.E. p.m. Unoffic'l | + or — |
|---|---|---|---|---|
| Spot | 666.10p | —2.00 | 660.5p | —11 |
| 3 months | 681.20p | —1.85 | 676.25p | —11.25 |
| 6 months | 697.30p | —2.75 | — | ...... |
| 12months | 731.10p | —5.55 | — | ...... |

LME—Silver (2,000 oz contract): Cash 660.5p (671.5p); three months 676.25p (687.5p). Turnover: 0 (1).

Turnover: 171 (103) lots of 10,000 oz. Morning: Large cash £665.5, three months 681.0, 80.5. Kerb: Large three months 680.0, 79.0. Afternoon: Large three months 677.0, 78.0, 77.0. Kerb: Large three months 679.0.

### COCOA

Weaker physicals and bearish U.S. stock gures brought the gas oil market in $½ lower and prices continued to drift down through the day as Tuesday's nervousness gave way to fundamental considerations. Profit-taking lifted prices from the lows on the close, reports Premier Man.

| COCOA | Yesterday's Close | + or — | Business Done |
|---|---|---|---|
| | £ per tonne | | |
| July | 2007-08 | +17.0 | 2010-00 |
| Sept | 1976-77 | +19.0 | 1983-55 |
| Dec | 1808-10 | +11.5 | 1820-98 |
| March | 1763-64 | +9.5 | 1775-55 |
| May | 1769-70 | +6.5 | 1780-68 |
| July | 1774-78 | +8.0 | — |
| Sept | 1782-00 | +21.0 | — |

Turnover: 2,308 (1,298) lots of 100 tonnes.

### COFFEE

Against a steady New York close London opened £17-28 higher, reports Drexel Burnham Lambert. A decision by the ICO board, to agree upon measures aimed at increasing the availability of coffee under export quotas, appeared to have little impact. After falling on dealer and commission house selling prices recovered in the afternoon to trade above earlier highs before further pressure towards the close saw values drifting lower again.

| COFFEE | Yesterd'ys Close | + or — | Business Done |
|---|---|---|---|
| July | 2180-83 | —11.5 | 2225-70 |
| Sept | 2195-98 | —7.0 | 2232-87 |
| Nov | 2225-30 | — | 2245-12 |
| January | 2188-90 | +14.5 | 2198-60 |
| March | 2100-05 | +25.0 | 2105-80 |
| May | 2060-65 | +22.0 | 2060-34 |

Sales: 4,685 (8,572) lots of 5 tonnes. ICO indicator prices (U.S. cents per pound) for June 5: Comp daily 1979 146.11 (147.55); 15-day average 150.40 (150.53).

### GRAINS

Business done—Wheat: July 135.25-2.00, Sept 108.50-8.40, Nov 111.65-1.20, Jan 114.80-4.30, March 117.70-7.30, May 120.20-19.90. Sales: 291 lots of 100 tonnes. Barley: Sept 107.80-7.70, Nov 111.00-10.70, Jan 113.85-3.70, Mar 116.65-6.40, May 119.00-8.50. Sales: 43 lots of 100 tonnes.

| | WHEAT | | BARLEY | |
|---|---|---|---|---|
| Mnth | Yesterd'ys close | + or — | Yesterd's close | + or — |
| July | 133.00 | —2.80 | — | — |
| Sept | 108.25 | — | 107.50 | — |
| Nov | 111.25 | +0.10 | 110.65 | — |
| Jan | 114.30 | — | 113.60 | — |
| Mar | 117.50 | +0.10 | 116.40 | +0.18 |
| May | 119.90 | —0.20 | 118.75 | —0.05 |

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No 1 14 per cent, June 141, July 140.50, Aug 138.75, Sept 136.75 sellers transhipment East Coast. English feed fob, second half Aug 109, Sept 110 sellers transhipment East Coast. Maize: U.S. No. 3 Yellow/French, June 151.50 seller East Coast. Barley: English feed fob, second half Aug 108.50, Sept 110 sellers Scotland. Sorghum: U.S. / Argentine / French, French, mid May/mid June 138 quoted cif free out. Rest unquoted.

July wheat was again volatile, moving steadier on physical demand, falling sharply on long liquidation to a low of £132 and attracting heavy shipper buying to improve £1. New crops moved 50p steadier on commission house buying but met hedge selling to fall back to unchanged, reports Muirpace.

HGCA — Locational ex-farm spot prices. Feed barley: Eastern 121.40, E. Mids 123.60, N. East 122.70, Scotland 120.00. The UK monetary coefficient for the week beginning Monday June 11 is expected to remain unchanged.

### PIGMEAT

Weakening physical prices and a lack of follow-through in the spot month prompted heavy long liquidation, parocularly of June, reports CCST Commodities.

| Month | Yesterdays close | Previous close | Business done |
|---|---|---|---|
| | p. per kilo (deadweight) | | |
| June | 124.3 | 126.0 | 126.0-124.5 |
| Aug | 118.4 | 118.9 | 118.8-118.8 |
| Oct | 121.0 | 121.5 | 121.5-120.8 |
| Nov | 121.4 | 121.6 | 121.7-121.2 |
| Feb | 117.8 | 118.5 | — |
| April | 117.3 | 117.7 | — |

Sales: 271 (220) lots of 50 carcases 3,250 kilos.

### POTATOES

The market opened lower and traded in very quiet conditions during the morning. Profit-taking later firmed prices on both November and April positions, reports Coley and Harper.

| Month | Yesterd'y's close | Previous close | Business Done |
|---|---|---|---|
| | £ per tonne | | |
| Nov | 69.80 | 69.50 | 69.20-68.20 |
| Feb | 77.00 | 77.50 | 77.00-76.50 |
| April | 89.60 | 88.40 | 88.90-87.50 |
| May | 98.30 | 98.70 | 98.50-97.50 |
| Nov | 80.00 | 80.00 | — |

Sales: 260 (529) lots of 40 tonnes.

### RUBBER

FUTURES—Close (buyer, seller, business). RSS No. 1. £ per tonne. July 645, 670, nil; Aug 680, 675, nil; Sept 670, 685, 700; Oct 678, 790, nil; Nov 702, 707, 705; Dec 709, 715, nil; Jan 718, 725, nil; Feb 727, 735, nil; March 737, 744, nil; July/Sept 1984 659, 665, 668-660; Oct/Dec 1984 701, 702, 709-701; Jan/March 1985 730, 735, 738-735. Sales: 4 (9) lots of 5 tonnes. 40 (75) lots of 15 tonnes.

PHYSICALS — The London market opened stronger, eased throughout the day and closed on an easier note, reports Lewis and Peat. Closing prices (buyers): spot 64.50p (65.00p); July 70.00p (69.50p); Aug 70.75p (70.25). The Kuala Lumpur June fob price for RSS No 1 was — (205.5) cents a kg and for SMR 20 was — (204.5).

### SOYABEAN MEAL

The market opened 50p up in thin trade, reports T. G. Roddick. Minor house buying interest emerged in the afternoon; however the whole trade remained featureless.

| | Yestday's close | + or — | Business Done |
|---|---|---|---|
| | £ per tonne | | |
| June | 149.00-55.90 | —1.00 | — |
| August | 148.50-49.80 | —0.75 | 151.00 |
| October | 152.00-58.50 | —0.55 | 153.50 |
| Dec | 155.00-54.70 | +0.05 | 154.50 |
| Feb | 154.00-56.30 | +0.40 | — |
| Apr | 154.50-57.60 | +0.75 | — |
| June | 155.00-56.50 | +0.50 | — |

Sales: 31 (100) lots of 100 tonnes; 0 (0) lots of 20 tonnes.

### SUGAR

LONDON DAILY PRICE—Raw sugar £108.00 ($150.50), up 50p (unchanged) a tonne for June/July delivery. White sugar $164.00, unchanged.

News that Egypt bad purchased 100,000 tonnes of whites at yesterday's tender lifted October back to $169 but once again further buying interest was lacking and prices eased. Rumours of substantial purchases by India could not be confirmed whilst Brazil was reported to have re-emerged as a seller, reports C. Czarnikow.

| No. 6 Contract | Yest'day's close | Previous close | Business done |
|---|---|---|---|
| | $ per tonne | | |
| Aug | 160.60-60.80 | 160.00-60.20 | 161.40-58.00 |
| Oct | 168.60-68.80 | 167.60-67.80 | 169.00-64.80 |
| Dec | 176.60-77.00 | 175.60-76.40 | 176.60-74.20 |
| Mar | 194.60-94.80 | 195.20-93.40 | 195.00-91.00 |
| May | 201.20-01.60 | 201.00-01.20 | 201.20-98.80 |
| Aug | 210.20-10.40 | 209.40-09.60 | 210.40-07.60 |
| Oct | 218.00-19.00 | 216.00-16.00 | 216.40 |

Sales: No 6 2,978 (2,848) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis sugar was £216.50 (£212.00) a tonne for export.

International Sugar Agreement — (U.S. cents per pound fob and stowed Caribbean ports). Prices to June 5: Daily price 5.69 (5.64); 15-day average 5.65 (5.63).

### COTTON

LIVERPOOL—Spot and shipment sales amounted to 133 tonnes. Activity was on an improved scale and business was again done in African and North Eastern qualities.

### WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg. July 579.0, 580.0, 581.0-579.5; Oct 568.0, 569.0, 570.0-569.5; Dec 573.0, 574.0, 575.0-574.0; March 583.5, 584.0, 584.0-583.5; May 592.0, 595.0, untraded; July 601.0, 603.0, u/t; Oct 590.0, 595.0, u/t; Dec 594.0, 600.0, u/t. Sales: 41.

LONDON NEW ZEALAND CROSSBREDS—Close (in order: buyer, seller, business). New Zealand cents per kg. Aug 445, 447, 448-447; Oct 442, 446, 443; Dec 442, 446, 443; Jan 442, 446, 445-443; March 452, 456, 456-454; May 462, 464, 464-463; Aug 475, 478, 477-475; Oct 476, 478, nil; Dec 476, 480, nil. Sales: 113.

### HIDES

HIDES—Manchester, (Leeds), ((Birmingham)). Second clears. Ox: 31-35.5 kg, 103.1p a kg withdrawn, (104.7p). ((108.1p)); 26-30.5 kg, 108.0p a kg, (109.0p withdrawn), ((115.1p)); 22-25.5 kg, 119.0p a kg withdrawn, (122.0p), ((124.7p)). Cows: 25.5 kg, 117.0p a kg withdrawn, (119.0p withdrawn), ((123.0p)).

### INDICES

FINANCIAL TIMES

| June 5 | June 4 | M'th ago | Year ago |
|---|---|---|---|
| 307.26 | 308.16 | 310.83 | 267.99 |

(Base: July 1 1952=100)

REUTERS

| June 6 | June 5 | M'th ago | Year ago |
|---|---|---|---|
| 1955.9 | 1953.5 | 1988.8 | 1819.1 |

(Base: September 18 1931=100)

MOODY'S

| June 5 | June 4 | M'th ago | Year ago |
|---|---|---|---|
| 1076.2 | 1075.9 | 1071.0 | 1058.5 |

(Base: December 31 1974=100)

DOW JONES

| Dow Jones | June 5 | June 4 | Month ago | Year ago |
|---|---|---|---|---|
| Spot | 140.99 | 141.07 | 138.4 | 145.77 |
| Fu's | 141.63 | 140.6 | 138.96 | 148.49 |

(Base: December 31 1974=100)

### MEAT/FISH

SMITHFIELD — Pence per pound. Beef—Scotch killed sides 80.0 to 88.0; English forequarters 54.5 to 58.5. Veal—Dutch hinds and ends 122.0 to 127.0. Lamb—English small 70.0 to 76.0, medium 68.0 to 74.0, heavy 66.0 to 70.0; Imported: New Zealand PL 67.5 to 68.5. Pork—English under 100 lb 52.5 to 61.0, 100-120 lb 56.5 to 59.0, 120-160 lb 50.0 to 57.0.

MEAT COMMISSION—Average fatstock prices at representative markets. GB—Cattle 104.71p per kg lw (+0.96). GB—Sheep 156.59p per kg est dcw (—1.93). GB—Pigs 88.84p per kg lw (+0.65). GB—AAPP 110.55p per kg dw (+1.30).

COVENT GARDEN—Prices for the bulk of produce, in sterling per package unless otherwise stated. English Produce: Apples—per pound, Bramley 0.20-0.26, Ida Red 0.12-0.18, Winston 0.20-0.22. Pears—per pound, Conference 0.14-0.26. Strawberries—½ lb 0.22-0.25, ½ lb 0.40-0.45. Potatoes—Whites 7.20-7.80, Edwards 7.80-8.00, Bakers 9.00-9.50; per pound, Isle of Wight, 0.18, Kent 0.17-0.18, Cornish 0.16-0.17. Mushrooms—per pound, open 0.55-0.70, closed 0.75-0.90. Lettuces—per tray, round 0.80-1.10, Cos dozen 2.00-2.20; Webb's 2.00-2.40; Iceberg 12s 8.00, 15s 7.00. Beetroots—28 lb round 2.80-3.00. Carrots — 28 lb 2.80-3.20. Greens: Kent 30 lb 1.50-1.80, Hispi 20 lb 2.40-2.50; crates, Primo 3.00-3.20. Leeks—per pound 0.16-0.18. Tomatoes—tray 12 lb 2.80-3.00. Cucumbers—tray 3.60-4.00. Cauliflowers—dozen, Kent 3.40-3.60. Spring onions—bunch 0.09-0.10. Rhubarb—Outdoor per pound 0.08-0.10. Radishes—bunched 0.12-0.14. Asparagus, per pound 1.00-1.80. Celery—6.00-8.00. Watercress: 20s 2.60-2.80, ice pack 20s 3.40-3.60. Salad—Crispa 16s 1.00-1.10. Courgettes—Isle of Wight, per pound 0.45-0.50.

Imported Produce: Clementines: Outspan box 5.50-6.00. Satsumas—Uruguayan: 10 kg 5.00-6.00. Tangerons—Jaffa: 6.20-6.80. Topaz—Jaffa: 4.50-5.00. Oranges—Spania: 4.80-5.50; Moroccan: Maroc Lates 5.20-6.00; Jaffa: Valencia Lates 15 kg 56 6.80, 72 5.60, 88 5.40, 100 5.40, 113 5.30; 20-kg 60 7.80, 75 7.70, 88 7.00, 105 6.50, 123 6.50, 144 7.00; Cyprus: approx. 15 kg Valencia Lates 3.80-6.00; Outspan 56 6.25, 72 6.30, 88 6.25, 112 5.80, 138 5.80, 150 5.25. Odds 50p less; Italian: Bloods 4.20-4.40. Lemons—Italian: new crop, carton 4.50-5.00;

## AMERICAN MARKETS

NEW YORK, June 6.

Gold and silver came under pressure from long liquidation on the lack of fresh tension in the Persian Gulf along with the weaker tone to financials, reports Heinold Commodities. Copper recovered on expectations that U.S. producers will be forced to cut production if unions do not grant concessions on wages. Good cash demand and a lower than expected rebate at the EEC selling tender prompted aggressive buying and short covering in sugar. Cocoa was firm as concerns over tight supplies encouraged good manufacturer offtake. Coffee was marginally higher on roaster buying. Cotton firmed on the belief that recent weakness was overdone and that recent precipitation was not widespread enough to substantially benefit the dryland acreage in Texas. Heating oil prices declined sharply on a negative industry stock report showing a general build-up; lack of further new developments in the Gulf war was bearish as longs liquidated their speculative positions. Wheat was under considerable pressure from new crop hedging as the harvest in the south proceeded under ideal conditions. Maize was mixed with cash tightness supporting old crop

### NEW YORK

ALUMINIUM 40,000 lb, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| June | 62.20 | — | — | 62.40 |
| July | 62.70 | 62.80 | 62.35 | 62.90 |
| August | 63.20 | — | — | 63.40 |
| Sept | 63.65 | 63.80 | 63.40 | 63.85 |
| Dec | 65.10 | 65.50 | 65.20 | 65.30 |
| Jan | 65.65 | — | — | 65.85 |
| March | 66.70 | — | — | 66.90 |
| May | 67.75 | — | — | 67.95 |
| July | 68.80 | — | — | 69.00 |
| Sept | 69.85 | — | — | 70.05 |

COCOA 10 tonnes, $/tonnes

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| July | 2490 | 2515 | 2440 | 2466 |
| Sept | 2530 | 2550 | 2470 | 2506 |
| Dec | 2420 | 2433 | 2360 | 2374 |
| March | 2385 | 2390 | 2350 | 2344 |
| May | 2380 | 2380 | 2380 | 2346 |

COFFEE "C" 37,000 lb, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| July | 144.77 | 45.20 | 43.35 | 44.16 |
| Sept | 144.78 | 45.50 | 43.50 | 44.22 |
| Dec | 144.96 | 45.75 | 43.80 | 44.20 |
| March | 143.60 | 44.00 | 43.00 | 43.10 |
| May | 142.28 | 43.00 | 41.75 | 42.08 |
| July | 141.13 | — | — | 41.55 |
| Sept | 142.50 | — | — | 41.25 |

COPPER 25,000 lb, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| June | 63.50 | 62.95 | 62.60 | 62.65 |
| July | 64.00 | 64.10 | 63.05 | 63.20 |
| August | 64.70 | — | — | 63.90 |
| Sept | 65.40 | 65.50 | 64.40 | 64.60 |
| Dec | 67.60 | 67.60 | 66.65 | 66.70 |
| Jan | 68.25 | — | — | 67.40 |
| March | 69.60 | 69.35 | 69.00 | 68.75 |
| May | 71.00 | 70.75 | 70.25 | 70.15 |
| July | 72.35 | 72.40 | 71.85 | 71.55 |
| Sept | 73.75 | 73.40 | 73.36 | 72.95 |

COTTON 50,000 lb, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| July | 83.10 | 83.44 | 82.70 | 83.12 |
| Oct | 78.25 | 78.40 | 77.85 | 78.28 |
| Dec | 74.95 | 75.25 | 74.56 | 75.05 |
| March | 76.05 | 76.30 | 75.85 | 76.15 |
| May | 76.90 | 77.00 | 76.80 | 77.10 |
| July | 77.10 | — | — | 77.35 |
| Oct | 75.40 | — | — | 76.40 |

CRUDE OIL (LIGHT) 42,000 U.S. gallons, $/barrels

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| July | 30.57 | 30.63 | 30.50 | 30.73 |
| August | 30.63 | 30.73 | 30.61 | 30.83 |
| Sept | 30.89 | 30.74 | 30.67 | 30.87 |
| Oct | 30.71 | 30.75 | 30.70 | 30.90 |
| Nov | 30.71 | 30.74 | 30.71 | 30.86 |
| Dec | 30.73 | 30.75 | 30.69 | 30.86 |
| Jan | 30.70 | — | — | 30.83 |
| Feb | 30.55 | 30.60 | 30.55 | 30.67 |
| March | 30.55 | 30.55 | 30.55 | 30.67 |

GOLD 100 troy oz, $/troy oz

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| June | 393.2 | 393.3 | 391.4 | 394.7 |
| July | 395.2 | — | — | 397.7 |
| Aug | 398.9 | 400.0 | 396.8 | 401.1 |
| Oct | 406.2 | 407.4 | 404.8 | 409.0 |
| Dec | 415.2 | 416.5 | 413.0 | 417.7 |
| Feb | 423.9 | 424.0 | 422.3 | 426.4 |
| April | 432.6 | 433.0 | 430.5 | 435.2 |
| June | 442.1 | 443.0 | 440.5 | 444.8 |
| Aug | 451.9 | 451.0 | 451.0 | 454.7 |
| Oct | 462.0 | — | — | 464.9 |
| Dec | 472.3 | — | — | 475.3 |
| Feb | 482.7 | — | — | 485.8 |
| April | 493.2 | — | — | 496.4 |

HEATING OIL 42,000 U.S. gallons, cents/U.S. gallons

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| July | 80.65 | 81.10 | 80.25 | 81.82 |
| August | 81.80 | 82.10 | 81.55 | 82.69 |
| Sept | 83.05 | 83.20 | 82.75 | 83.80 |
| Oct | 84.00 | 84.15 | 83.80 | 84.93 |
| Nov | 85.00 | 85.00 | 84.85 | 85.75 |
| Dec | 86.00 | 86.00 | 85.65 | 86.40 |
| Jan | 85.90 | 85.90 | 85.90 | 86.55 |
| Feb | 85.60 | 85.60 | 85.60 | 86.55 |
| March | 83.40 | 83.40 | 83.25 | 83.90 |
| April | 81.60 | — | — | 81.95 |

ORANGE JUICE 15,000 lb, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| July | 180.95 | 82.60 | 80.00 | 81.80 |
| Sept | 178.70 | 81.20 | 78.00 | 79.90 |
| Nov | 176.80 | 78.00 | 78.00 | 78.75 |
| Jan | 176.85 | 78.50 | 76.00 | 78.75 |
| March | 175.85 | 78.20 | 77.50 | 78.50 |
| Sept | 175.10 | — | — | 77.00 |
| Nov | 175.00 | — | — | 76.75 |

PLATINUM 50 troy oz, $/troy oz

| | Close | High | Low | Prev |
|---|---|---|---|---|
| June | 394.1 | — | — | 397.0 |
| July | 397.5 | 399.0 | 396.0 | 400.5 |
| Oct | 408.3 | 409.5 | 407.0 | 411.2 |
| Jan | 417.3 | 418.0 | 417.0 | 420.2 |
| April | 426.3 | 429.0 | 427.0 | 429.2 |
| July | 435.8 | — | — | 438.7 |
| Oct | 450.0 | — | — | — |

SILVER 5,000 troy oz, cents/troy oz

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| June | 928.0 | 930.0 | 928.0 | 939.0 |
| July | 933.0 | 938.0 | 930.0 | 945.5 |
| Aug | 943.4 | — | — | 954.9 |
| Sept | 951.0 | 957.5 | 950.0 | 964.8 |
| Dec | 981.0 | 987.0 | 979.0 | 994.5 |
| Jan | 992.3 | — | — | 1004.8 |
| March | 1013.2 | 1017.0 | 1009.0 | 1025.9 |
| July | 1057.9 | 1063.0 | 1063.0 | 1071.0 |
| Sept | 1082.2 | — | — | 1095.5 |

SUGAR WORLD "11" 112,000 lb, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| July | 5.98 | 6.00 | 5.95 | 5.73 |
| Sept | 6.29 | 6.29 | 6.15 | 6.00 |
| Oct | 6.55 | 6.56 | 6.35 | 6.21 |
| Jan | 7.10 | 7.05 | 7.00 | 6.78 |
| March | 7.65 | 7.68 | 7.51 | 7.38 |
| May | 7.91 | 7.92 | 7.81 | 7.65 |
| July | 8.16 | 8.20 | 8.07 | 7.95 |
| Sept | 8.41 | 8.45 | 8.35 | 8.25 |
| Oct | 8.67 | 8.70 | 8.56 | 8.44 |

### CHICAGO

LIVE CATTLE 40,000 lb, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| June | 63.50 | 64.10 | 63.32 | 64.17 |
| August | 62.27 | 62.40 | 61.80 | 62.07 |
| Oct | 61.40 | 61.50 | 61.05 | 61.35 |
| Dec | 63.30 | 63.40 | 62.95 | 63.15 |
| Feb | 63.80 | 63.87 | 63.50 | 63.65 |
| April | 64.52 | 64.60 | 64.32 | 64.40 |

LIVE HOGS 30,000 lb, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| June | 52.32 | 52.70 | 52.00 | 52.55 |
| July | 57.10 | 57.15 | 56.27 | 56.65 |
| August | 59.17 | 59.25 | 58.15 | 58.65 |
| Oct | 58.37 | 58.45 | 57.50 | 57.82 |
| Dec | 58.20 | 58.25 | 57.45 | 57.75 |
| Feb | 58.10 | 58.20 | 57.35 | 57.60 |
| April | 53.37 | 53.45 | 52.75 | 52.75 |
| June | 54.75 | 54.82 | 54.50 | 54.82 |
| July | 54.80 | 54.80 | 54.50 | 54.95 |

MAIZE 5,000 bu min, cents/56-lb bushel

| | Close | High | Low | Prev |
|---|---|---|---|---|
| July | 346.6 | 347.0 | 345.0 | 345.6 |
| Sept | 321.4 | 323.6 | 321.0 | 323.0 |
| Dec | 297.0 | 299.6 | 295.6 | 299.2 |
| March | 306.2 | 309.0 | 306.2 | 308.2 |
| May | 310.4 | 312.4 | 310.2 | 312.2 |
| July | 313.0 | 314.2 | 312.6 | 314.6 |

PORK BELLIES 38,000 lb, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| July | 66.35 | 66.50 | 65.25 | 65.80 |
| August | 65.07 | 65.20 | 63.90 | 64.55 |
| Feb | 77.10 | 77.50 | 76.85 | 77.40 |
| March | 76.60 | 76.60 | 76.55 | 77.00 |
| May | 77.95 | 77.95 | 77.80 | 78.30 |
| July | 78.90 | 78.95 | 78.40 | 79.02 |
| August | 77.00 | 77.00 | 77.00 | 77.00 |

SOYABEANS 5,000 bu min, cents/60-lb bushel

| | Close | High | Low | Prev |
|---|---|---|---|---|
| July | 826.2 | 827.4 | 816.0 | 819.6 |
| Aug | 822.0 | 823.4 | 814.0 | 817.4 |
| Sept | 769.0 | 770.0 | 763.4 | 765.4 |
| Nov | 729.2 | 731.0 | 724.0 | 726.6 |
| Jan | 741.4 | 741.4 | 736.0 | 737.2 |
| March | 753.4 | 753.4 | 748.0 | 750.0 |
| May | 763.4 | 763.4 | 758.4 | 760.0 |
| July | 768.4 | 768.4 | 764.0 | 765.0 |

SOYABEAN MEAL 100 tons, $/ton

| | Close | High | Low | Prev |
|---|---|---|---|---|
| July | 190.2 | 191.2 | 188.2 | 191.4 |
| Aug | 193.0 | 194.0 | 191.0 | 193.9 |
| Sept | 191.7 | 192.2 | 190.0 | 192.2 |
| Oct | 185.2 | 186.0 | 184.0 | 185.7 |
| Dec | 187.7 | 188.7 | 186.5 | 188.4 |
| Jan | 189.0 | 190.5 | 188.5 | 190.0 |
| March | 192.0 | 193.3 | 192.0 | 192.5 |
| May | 194.0 | 195.6 | 194.0 | 194.0 |

SOYABEAN OIL 60,000 lb, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| July | 36.20 | 36.25 | 35.30 | 36.30 |
| Aug | 35.18 | 35.20 | 34.65 | 34.62 |
| Sept | 33.55 | 33.56 | 32.95 | 32.85 |
| Oct | 30.62 | 30.70 | 30.00 | 29.98 |
| Dec | 29.24 | 29.25 | 28.75 | 28.70 |
| Jan | 28.95 | 28.90 | 28.65 | 28.67 |
| March | 28.55 | 28.70 | 28.50 | 28.30 |
| May | 28.45 | — | — | 28.28 |
| July | 28.45 | — | — | 28.28 |

WHEAT 5,000 bu min, cents/60-lb bushel

| | Close | High | Low | Prev |
|---|---|---|---|---|
| July | 365.6 | 369.0 | 363.2 | 358.2 |
| Sept | 361.6 | 363.4 | 359.2 | 363.2 |
| Dec | 376.6 | 378.6 | 374.0 | 378.2 |
| March | 386.4 | 389.2 | 384.2 | 388.4 |
| May | 390.0 | 391.6 | 388.4 | 392.0 |
| July | 372.0 | 374.4 | 371.4 | 375.4 |

SPOT PRICES—Chicago loose lard 29.00 (same) cents per pound. New York tin 586.0-92.0 (585.0-90.0) cents per pound. Handy and Harman silver bullion 930.0 (935.5) cents per troy ounce.

# CURRENCIES, MONEY and CAPITAL MARKETS

## FOREIGN EXCHANGES

# Dollar falls in late trading

The dollar weakened in late European foreign exchange trading, after a fairly quiet day where the currency showed little movement for the most part. Tension in the Gulf following the involvement of Saudi Arabia in the war between Iran and Iraq was offset by expectations that U.S. interest rates will be held down by the threat of a debt crisis involving third world borrowers. This continued to be the major factor depressing the dollar, and it was underlined when Mr Martin Feldstein, economic adviser to President Reagan, said he expected long term rates to decline in the period ahead, although the situation was rather confused by his prediction that short term rates will go up.

It was also suggested that optimism in the talks between West German engineering employers and officials of the metalworkers union boosted the D-mark and pushed down the dollar in late trading.

The dollar fell to DM 2.6770 from DM 2.6840 against the D-mark; FFr 8.2550 from FFr 8.26 against the French franc; and SwFr 2.2320 from SwFr 2.2325 in terms of the Swiss franc, but improved to Y230.40 from Y230.25 against the Japanese yen as a result of the news from the Gulf.

On Bank of England figures the dollar's trade-weighted index was 130.1, compared with 129.7 on Tuesday.

STERLING — Trading range against the dollar in 1984 is 1.4905 to 1.3805. May average 1.3903. Trade-weighted index 79.7, compared with 79.5 at noon, 79.4 at the opening, 79.3 at the previous close, and 82.8 six months ago.

Sterling was firm despite lower London money market interest rates. The threat to world oil supplies because of the Gulf war helped push the pound up 80 points against the dollar to $1.4020-1.4030 as it finished around the high point of the day. Sterling also rose to DM 3.7525 from DM 3.7450; FFr 11.55 from FFr 11.52; SwFr 3.13 from SwFr 3.11; and Y322.25 from Y320.85.

D-MARK — Trading range against the dollar in 1984 is 2.8425 to 2.5535. May average 2.7465. Trade-weighted index 126.5 against 124.6 six months ago.

The dollar was fixed at DM 2.6847 at yesterday's fixing in Frankfurt, up from DM 2.6736 at the previous fixing. The Bundesbank sold $25.7m at the fixing. Trading was confined to a narrow range with the firmer tone reflecting renewed fears about the Gulf war. The extent of the dollar's upward potential was limited however by signs of a slowdown in U.S. economic growth and hopes of a settlement to the current West German metal workers' dispute. Within the EMS the Belgian franc slipped to DM 4.8970 per BFr 100 from DM 4.90 and the French franc was unchanged at DM 32.515 per FFr 100.

BELGIAN FRANC — Trading range against the dollar in 1984 is 57.92 to 52.24. May average 55.9136. Trade-weighted index 90.3 against 89.7 six months ago.

There was no intervention by the Belgian central bank in the week ending June 4 as the Belgian franc remained stable within the EMS. However the recent decline in the U.S. dollar has boosted the D-mark and this may ultimately put pressure on the weaker members of the EMS. The dollar rose to 54.82 from BFr 54.60 and sterling was higher at BFr 76.5250 from BFr 76.35. Within the EMS the D-mark was higher at BFr 20.4210 from BFr 20.4125 and the French franc improved to BFr 6.6407½ compared with BFr 6.6395.

### EMS EUROPEAN CURRENCY UNIT RATES

| | ECU central rates | Currency amounts against ECU June 6 | % change from central rate | % change adjusted for divergence | Divergence limit % |
|---|---|---|---|---|---|
| Belgian Franc ... | 44.9008 | 45.5557 | +1.46 | +1.41 | ±1.5447 |
| Danish Krone ... | 8.14104 | 8.19397 | +0.65 | +0.60 | ±1.6425 |
| German D-Mark | 2.24184 | 2.23187 | −0.44 | −0.49 | ±1.0842 |
| French Franc ... | 6.87456 | 6.86492 | −0.14 | −0.19 | ±1.4052 |
| Dutch Guilder ... | 2.52595 | 2.51902 | −0.27 | −0.32 | ±1.4964 |
| Irish Punt ...... | 0.72569 | 0.730022 | +0.60 | +0.55 | ±1.6699 |
| Italian Lira ...... | 1403.49 | 1383.86 | −1.40 | −1.40 | ±4.1505 |

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

### £ in New York (latest)

| | June 6 | Prev. close |
|---|---|---|
| spot | $1.3980-3990 | $1.3930-3940 |
| 1 month | 0.22-0.24 dis | 0.22-0.24 dis |
| 3 months | 0.72-0.75 dis | 0.68-0.71 dis |
| 12 months | 3.55-3.65 dis | 3.46-3.60 dis |

£ forward rates are quoted in U.S. cents discount.

### THE POUND SPOT AND FORWARD

| June 6 | Day's spread | Close | One month | % p.a. | Three months | % p.a. |
|---|---|---|---|---|---|---|
| U.S. | 1.3930-1.4030 | 1.4020-1.4030 | 0.22-0.25c dis | −2.01 | 0.72-0.76dis | −2.11 |
| Canada | 1.8140-1.8220 | 1.8210-1.8220 | 0.29-0.35c dis | −2.11 | 0.91-1.01dis | −2.11 |
| Nethlnd. | 4.22¼-4.25½ | 4.23¾-4.24¾ | 1¼-1c pm | 3.18 | 3½-3¼ pm | 3.18 |
| Belgium | 76.40-76.90 | 76.80-76.90 | 15-20c dis | −2.73 | 41-48 dis | −2.32 |
| Denmark | 13.75½-13.82 | 13.79½-13.80½ | 0.52ore pm-0.38dis | 0.10 | 0.80-1.90dis | −0.39 |
| Ireland | 1.2240-1.2300 | 1.2285-1.2295 | 0.25-0.35p dis | −2.93 | 0.90-1.05dis | −3.18 |
| W. Ger. | 3.73½-3.76 | 3.74¾-3.75¾ | 1¼-1pf pm | 3.59 | 3⅝-3⅜ pm | 3.73 |
| Portugal | 193.25-195.10 | 194.50-195.00 | 85-230c dis | −9.70 | 320-745dis | −10.94 |
| Spain | 211.75-213.20 | 213.00-213.20 | 110-140c dis | −7.04 | 335-375 dis | −6.66 |
| Italy | 2,321-2,333 | 2,331-2,333 | 11-14 lire dis | −6.43 | 33-37 dis | −6.00 |
| Norway | 10.74½-10.79½ | 10.78½-10.79½ | 3.25-4.15ore dis | −4.12 | 8.65-9.65dis | −3.40 |
| France | 11.51-11.57 | 11.54½-11.55½ | 3-3¾c dis | −3.51 | 11⅞-13 dis | −4.31 |
| Sweden | 11.18½-11.21½ | 11.20½-11.21½ | 2.10-3.05ore dis | −2.76 | 5.55-6.55dis | −2.16 |
| Japan | 321½-323½ | 321¾-322¾ | 0.85-0.78y pm | 3.05 | 2.62-2.51 pm | 3.18 |
| Austria | 26.30-26.42 | 26.30-26.35 | 5⅞-4⅞gro pm | 2.28 | 18¾-13¾ pm | 2.44 |
| Switz. | 3.11½-3.14½ | 3.12½-3.13½ | 1½-1¼c pm | 5.51 | 4½-4¼ pm | 5.67 |

Belgian rate is for convertible francs. Financial franc 78.20-78.30. Six-month forward dollar 1.64-1.69c dis, 12-month 3.60-3.70c dis.

### THE DOLLAR SPOT AND FORWARD

| June 6 | Day's spread | Close | One month | % p.a. | Three months | % p.a. |
|---|---|---|---|---|---|---|
| UK† | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Ireland† | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Canada | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Nethlnd. | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Belgium | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Denmark | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| W. Ger. | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Portugal | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Spain | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Italy | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Norway | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| France | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Sweden | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Japan | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Austria | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Switz. | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 54.85-54.95.

### OTHER CURRENCIES

| June 6 | £ | $ | | £ Note Rates |
|---|---|---|---|---|
| Argentina Peso | 62.66-62.80 | 44.89-44.95 | Austria | 26.20-26.50 |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

* Selling rates.

### CURRENCY MOVEMENTS

| June 6 | Bank of England Index | Morgan Guaranty Changes % |
|---|---|---|
| Sterling | 79.7 | −11.2 |
| U.S. dollar | 130.1 | +16.6 |
| Canadian dollar | [illegible] | [illegible] |
| Austrian schilling | [illegible] | [illegible] |
| Belgian franc | [illegible] | [illegible] |
| Danish Kroner | [illegible] | [illegible] |
| Deutsche mark | [illegible] | [illegible] |
| Swiss franc | [illegible] | [illegible] |
| Guilder | [illegible] | [illegible] |
| French franc | [illegible] | [illegible] |
| Lira | [illegible] | [illegible] |
| Yen | 157.6 | +13.9 |

Morgan Guaranty changes: average 1980-1982=100. Bank of England Index (base average 1975=100).

### CURRENCY RATES

| June 6 | Bank rate % | Special Drawing Rights | European Currency Unit |
|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] |

*CS/SDR rate for June 5: 1.36541

### EXCHANGE CROSS RATES

| June 6 | Pound St'rling | U.S. Dollar | Deutsche m'k | J'panese Yen | French Franc | Swiss Franc | Dutch Guild | Italian Lira | Canada Dollar | Belgian Franc |
|---|---|---|---|---|---|---|---|---|---|---|
| Pound Sterling | 1. | 1.403 | 3.753 | 322.3 | 11.55 | 3.130 | 4.238 | 2332 | 1.822 | 76.85 |
| U.S. Dollar | 0.713 | 1. | 2.677 | 230.4 | 8.255 | 2.232 | 3.021 | 1661 | 1.299 | 54.70 |
| Deutschemark | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Japanese Yen 1,000 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| French Franc 10 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Swiss Franc | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Dutch Guilder | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Italian Lira 1,000 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Canadian Dollar | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Belgian Franc 100 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

### EURO-CURRENCY INTEREST RATES (Market closing rates)

| June 6 | Sterling | U.S. Dollar | Canadian Dollar | Dutch Guilder | Swiss Franc | D-mark | French Franc | Italian Lira | Belgian Franc Conv. | Belgian Franc Fin. | Yen | Danish Kroner |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Short term | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| 7 days' notice | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Month | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Three months | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Six months | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| One year | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

Asian $ (closing rates in Singapore): [illegible] per cent; six months 12¹⁄₁₆-12³⁄₁₆ per cent; one year 13-13⅛ per cent. Long-term Eurodollars: two years 13¾-14 per cent; three years 14-14¼ per cent; four years 14¼-14½ per cent; five years 14¼-14½ per cent nominal closing rates. Short-term rates are call for U.S. banks and Japanese yen: two days' notice.

## MONEY MARKETS

# London rates continue to ease

Pressure has eased on London money market interest rates. A smaller than expected rise in sterling M3 money supply announced Tuesday coupled with a lack of any further upward momentum in U.S. rates has allayed fears of an imminent rise in UK clearing bank base rates.

London rates have now fallen back to the levels of about two weeks ago after experiencing strong upward pressure on speculation about a large rise in the mid-May money supply figures. At the end of last week bills rates began to fall back, giving the first hint that a rise in base rates might be averted, and this was followed by declines in interbank rates on Monday and Tuesday. The trend continued yesterday, with three-month interbank easing to 9⁷⁄₁₆ per cent from 9½ per cent, and discount houses buying rates for three-month elegible bank bills to 8¹⁵⁄₁₆ per cent from 8³¹⁄₃₂ per cent.

The Bank of England forecast a market shortage of £100m in the morning, but this was changed to £150m in the afternoon. Total help of £104m was provided, mainly by official purchases of bank bills at unchanged interest rates.

Before lunch the authorities bought £46m bills by way of £5m bank bills in band 1 (up to 14 days maturity) at 9⁷⁄₁₆ per cent; £16m bank bills in band 2 (15-33 days) at 9 per cent; £3m bank bills in band 3 (34-63 days) at 8¹⁵⁄₁₆ per cent; and £22m bank bills in band 4 (64-91 days) at 8⅞ per cent.

Another £13m bank bills in band 1 were purchased in the afternoon at 9⁷⁄₁₆ per cent, and the Bank of England also gave late assistance of around £45m.

Bills maturing in official hands, repayment of late assistance and a take-up of Treasury bills from Friday's tender drained £163m; while a rise in the note circulation absorbed £70m; and bank balances below target another £15m. These factors were partly offset by Exchequer transactions adding £130m to liquidity.

**UK clearing banks' base lending rate 9-9¼ per cent (since May 10 and 11)**

### MONEY RATES

| June 6 | Frankfurt | Paris | Zurich | Amst'dam | Tokyo | Milan | Brussels | Dublin |
|---|---|---|---|---|---|---|---|---|
| Overnight | 5.5-5.55 | 12¼ | 1½-2 | 5⅝-5¾ | 5.84375 | 16¼-16⅝ | 10½-11½ | 11⅝-11⅞ |
| One month | 5.65-5.75 | 12⅛-12⁵⁄₁₆ | 3½-3¾ | 5⁹⁄₁₆-5¹¹⁄₁₆ | 6.15625 | 16¼-16⅝ | 11⅝-11¾ | 12-12¼ |
| Two months | 5.85-6.00 | 12⅛-12¼ | — | — | — | — | — | 12¼-12½ |
| Three months | 6.05-6.20 | 12¼-12⅜ | 3⅝-3⅞ | 6-6⅛ | 6.28125 | 16½-16⅞ | 11¾-11⅞ | 12⅝-12⅞ |
| Six months | 6.25-6.40 | 12½-12⅝ | — | 6¼-6⅜ | — | — | 11⅞-12 | 12¾-13 |
| Lombard | 5.5 | — | — | — | — | — | — | — |
| Intervention | — | 11¾ | — | 5⅞ | — | — | — | — |

### LONDON MONEY RATES — Discount Houses Deposit and Bill Rates

| June 6 1984 | Sterling Certificate of deposit | Interbank | Local Authority deposits | Company Deposits | Market Deposits | Treasury (Buy) | Treasury (Sell) | Eligible Bank (Buy) | Eligible Bank (Sell) | Fine Trade (Buy) |
|---|---|---|---|---|---|---|---|---|---|---|
| Overnight | — | 8½-10 | 9 | 9-9⅜ | 8½-9 | — | — | — | — | — |
| 2 days notice | — | — | 8⅞-9 | — | — | — | — | — | — | — |
| 7 days or | — | — | — | — | — | — | — | — | — | — |
| 7 days notice | — | 8⅞-9¼ | 8⅞-9 | 9¼-9⅜ | 8⅞-9 | — | — | — | — | — |
| One month | 9¼-9⁵⁄₁₆ | 9⅛-9⁵⁄₁₆ | 9 | 9⅛ | 9 | 9⅛ | [illegible] | [illegible] | [illegible] | [illegible] |
| Two months | 9⁵⁄₁₆-9¼ | 9¼-9⁷⁄₁₆ | 9⅛ | 9⅛ | 9-9⁵⁄₁₆ | 8⅞ | [illegible] | [illegible] | [illegible] | [illegible] |
| Three months | 9⅜-9⁷⁄₁₆ | 9⅜ 9½ | 9¼-9⅜ | 9¾ | 9-9⅛ | 8⅞-8⁹⁄₁₆ | [illegible] | [illegible] | [illegible] | [illegible] |
| Six months | 9⁹⁄₁₆-9⅝ | 9¾-9⅞ | 9¼-9⅞ | — | — | — | — | [illegible] | [illegible] | [illegible] |
| Nine months | 9⅞ 9¾ | 10⅛-10¼ | 10 | — | — | — | — | [illegible] | [illegible] | [illegible] |
| One year | 9¹⁵⁄₁₆-9¹¹⁄₁₆ | 10⅛-10½ | 10⅛ | — | — | — | — | [illegible] | [illegible] | [illegible] |

| | Local Auth. negotiable bonds | Local Authority Deposits | Finance House Deposits | $ Cert of Deposits | SDR Linked Deposits | ECU Linked Deposits |
|---|---|---|---|---|---|---|
| One month | 9½-9¼ | — | 9¼ | 10.9-10.8 | 9⁵⁄₁₆-9³⁄₁₆ | 9-9⁵⁄₁₆ |
| Two months | 9¾-9½ | — | 9⅝ | 11.15-11.05 | 9⅞-9⅝ | 9⅝-9⅜ |
| Three months | 9⅞-9⅝ | — | 9½ | 11.5-11.2 | 9⅞-9⅝ | 9⅝-9⅝ |
| Six months | 9¾-9⅝ | — | 9⅞ | 12.1-12.0 | 10⅛-10⅜ | 9⅞-10 |
| Nine months | 10½-10¼ | — | 10⅛ | 12.45-12.35 | — | — |
| One year | 10½-10¼ | 11 | 10⅜ | 13.0-12.8 | 10⅞-11⅛ | 10⅜-10½ |
| Two years | — | 11½ | — | — | — | — |
| Three years | — | 11¾ | — | — | — | — |
| Four years | — | 11¾ | — | — | — | — |
| Five years | — | 11¾ | — | — | — | — |

ECGD Fixed Rate Export Finance Scheme IV: Average Rate of Interest period May 2 to June 5 1984 (inclusive): 9.516 per cent. Local authorities and finance houses seven days' notice, others seven days' fixed. Finance Houses Base Rate (published by the Finance Houses Association): 9½ per cent from June 1 1984. London and Scottish Clearing Bank Rates for lending 9-9¼ per cent. London Deposit Rate for sums at seven days' notice 6¼-6 per cent. Treasury Bills: Average tender rate of discount 8.8245 per cent. Certificates of Tax Deposit (Series 6). Deposit of £100,000 and over held under one month 9¼ per cent; one-three months 9¾ per cent; three-six months 10 per cent; six-nine months 10¼ per cent; nine-12 months 10½ per cent. Under £100,000 9 per cent from June 7. Deposits held under Series 4-5 10½ per cent. The rate for all deposits withdrawn for each 7 per cent.

### FT LONDON INTERBANK FIXING

LONDON INTERBANK FIXING (11.00 a.m. June 6)

| 3 months U.S. dollars | |
|---|---|
| bid 11 5/16 | offer 11 7/16 |

| 6 months U.S. dollars | |
|---|---|
| bid 12 | offer 12 1/8 |

The fixing rates are the arithmetic means, rounded to the nearest one sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 a.m. each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

### MONEY RATES

**NEW YORK (Lunchtime)**

| | |
|---|---|
| Prime rate | 12½ |
| Broker loan rate | 11.5 |
| Fed funds | 10⅝ |
| Fed funds at intervention | — |

**Treasury Bills**

| | |
|---|---|
| One month | 9.30 |
| Two month | 9.60 |
| Three month | 9.71 |
| Six month | 10.41 |
| One year | 10.71 |

**Treasury Bonds**

| | |
|---|---|
| Two year | 100⅛ |
| Three year | 99⅛ |
| Four year | 96⁴⁄₃₂ |
| Five year | 101⁴⁄₃₂ |
| Seven year | 95¹⁴⁄₃₂ |
| 10 year | 96²⁴⁄₃₂ |
| 30 year | 96¹⁴⁄₃₂ |

## FINANCIAL FUTURES

# Gilts easier

Gilt prices lost ground in the London International Financial Futures Exchange yesterday. Selling developed in gilts after a firmer opening. The latter reflected a stronger tone to U.S. bond markets. Prices lost ground with dealers noting that some of the latest Government tap issues were exhausted. The weaker trend continued throughout the afternoon in the absence of any renewed buying interest and a weaker opening to the U.S. bond market. Values finished close to the day's lows. The September price opened at 104-26, up from 104-20, but fell to a low of 103-16 before finishing at 103-16.

Eurodollar prices finished slightly down from Tuesday's closing levels with an earlier strong performance reversed by higher U.S. Fed funds. Selling developed after U.S. markets opened but a laterally left prices around the middle of the day's range and only slightly changed from Tuesday. The September Euro-dollar contract opened at 87.48, up from 87.44 on Tuesday and traded between a high of 87.48 and a low of 87.39 before finishing at 87.43.

The FT-SE index futures sector opened firmer but attracted some selling. The extent of the decline was limited, however, as the market reacted to fears of an escalation in the Gulf war. Consequently the June contract opened at 106.80 up from 106.60 and dipped to 106.75 before firming to close at 107.20.

Short sterling prices showed little overall change in line with a static cash market. There was little incentive to move in either direction following a dissipation of speculative interest surrounding a possible rise in UK clearing bank base rates. The September price opened at 89.93 and closed at the same level compared with 89.92 on Tuesday.

### LONDON

**THREE-MONTH EURODOLLAR $1m points of 100%**

| | Close | High | Low | Prev |
|---|---|---|---|---|
| June | 88.71 | 88.76 | 88.70 | 88.75 |
| Sept | 87.43 | 87.48 | 87.39 | 87.44 |
| Dec | 86.78 | 86.83 | 86.76 | 86.79 |
| March | 86.38 | 86.43 | 86.36 | 86.40 |
| June | 86.09 | 86.11 | 86.09 | 86.18 |

Volume 3,778 (7,404)
Previous day's open int 15,350 (15,541)

**THREE-MONTH STERLING DEPOSIT £250,000 points of 100%**

| | Close | High | Low | Prev |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

**20-YEAR 12% NOTIONAL GILT £50,000 32nds of 100%**

| | Close | High | Low | Prev |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

**U.S. TREASURY BONDS**

| | Close | High | Low | Prev |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

**DEUTSCHE MARKS DM 125,000 $ per DM**

| | Close | High | Low | Prev |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

**STERLING £25,000 $ per £**

| | Close | High | Low | Prev |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

**SWISS FRANCS SwFr 125,000 $ per SwFr**

| | Close | High | Low | Prev |
|---|---|---|---|---|
| June | [illegible] | 0.4476 | 0.4474 | 0.4500 |
| Sept | [illegible] | 0.4567 | 0.4554 | 0.4588 |

Previous day's open int 805 (807)

**JAPANESE YEN Y12.5m $ per Y100**

| | Close | High | Low | Prev |
|---|---|---|---|---|
| June | [illegible] | 0.4340 | 0.4340 | 0.4353 |
| Sept | [illegible] | 0.4388 | 0.4391 | 0.4410 |

Previous day's open int 426 (427)

**FT-SE 100 INDEX £25 per full index point**

| | Close | High | Low | Prev |
|---|---|---|---|---|
| June | 107.20 | 107.70 | 106.75 | 106.60 |
| Sept | 106.80 | 107.00 | 106.50 | 106.00 |
| Dec | 107.40 | — | — | 106.80 |

Volume 719 (1,322)
Previous day's open int 1,006 (1,201)

### CHICAGO

**U.S. TREASURY BONDS (CBT) 8% $100,000 32nds of 100%**

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

**U.S. TREASURY BILLS (IMM) $1m points of 100%**

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

**CERT. DEPOSIT (IMM) $1m points of 100%**

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

**THREE-MONTH EURODOLLAR (IMM) $1m points of 100%**

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

**STERLING (IMM) $e per £**

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Dec | 1.4180 | 1.4180 | 1.4130 | 1.4095 |
| March | 1.4280 | 1.4280 | 1.4220 | 1.4190 |

**GNMA (CBT) 8% $100,000 32nds of 100%**

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| June | 65-26 | 66-02 | 65-25 | 65-30 |
| Sept | 64-17 | 64-26 | 64-17 | 64-22 |
| Dec | 63-17 | 63-22 | 63-16 | 63-20 |
| March | 62-20 | 62-25 | 62-20 | 62-23 |
| June | 61-29 | 62-04 | 61-29 | 62-00 |
| Sept | — | — | — | 61-14 |
| Dec | — | — | — | 61-00 |




## FINANCIAL TIMES

PUBLISHED IN LONDON & FRANKFURT

Head Office: The Financial Times Ltd, Bracken House, 10 Cannon Street, London EC4P 4BY. Telex: (Editorial) 8954871. Telex: (Advertising) 885033. Telephone: 01-248 8000. Frankfurt Office: The Financial Times (Europe) Ltd, Guiolettstrasse 54, D-6000 Frankfurt-am-Main 1, West Germany. Telex: 416193. Telephone: 7598-0. Editorial: Guiolettstrasse 54. Telex: 416052. Telephone: 7598-157.

INTERNATIONAL & BRITISH EDITORIAL, ADVERTISEMENT & CIRCULATION OFFICES

Amsterdam: Editorial and Circulation Singel 512, NL-1017 AX Amsterdam. Telex: 16527. [illegible]

[illegible]

For Share Index and Business News Summary, Telephone 246 8026 (number preceded by the appropriate area code valid for London, Birmingham, Liverpool and Manchester).

All advertising is subject to the publisher's current terms and conditions, copies of which are available on request.

## OVER-THE-COUNTER

Continued from Page 38

| Stock | Sales (Hnds) | High | Low | Last | Chng |
|---|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

## INT. CAPITAL MARKETS

# Slow sale for Sears' zero-coupon offering

BY MARY ANN SIEGHART IN LONDON

DESPITE a more subdued mood in the Euromarkets, the recent spate of new issue activity continued yesterday.

Goldman Sachs followed up Tuesday's zero-coupon bond for General Electric with another of the same type for Sears Roebuck. It is raising about $102.5m (which implies a redemption amount of $500m) through a 14-year zero-coupon bond priced at 20.50. This gives a yield to maturity of 11.99 per cent. Co-lead managers are Daiwa Europe and Dean Witter Reynolds.

Unlike General Electric's deal, this one sold slowly, either because investor demand for zero-coupons has already been saturated or because the market was nervous. It traded only just within its 1 point fees at a discount of 0.90 per cent.

Late in the day came a $75m issue for Compagnie Bancaire, the French finance company 45 per cent owned by Paribas. The bond has a life of five years and 11 months and a coupon of 13⅞ per cent at a price of 99¾. Lead managers are Paribas and Manufacturers Hanover. The proceeds of the issue will be swapped for floating rate funds.

Other new issue managers considered the deal tightly priced, even for a double-A rated name. They pointed out that the borrower is not well known and that French bank paper is currently yielding around 14.30 per cent. The bond traded initially only just within its 1⅞ per cent total fees.

Murata Manufacturing, the Japanese electronic components company, launched its long-awaited $100m convertible through Nomura International. It has a 16-year life and an indicated yield of 3½ per cent. Investor reaction was reasonably enthusiastic – the issue traded at a ¼ point discount.

Toppan Printing has issued the first yen-linked dollar convertible – a 10-year bond with a 2¾ per cent coupon at par. The amount will be the dollar equivalent of Y10bn, with the exchange rate fixed on June 13. Payment for the bonds will be in yen, but coupon and principal repayments will be in dollars at the current spot rate. Daiwa Europe and Nikko Securities are leading the deal.

| BHF Bank bond average | | |
|---|---|---|
| June 6 | | Previous |
| 99.038 | | 99.065 |
| High | 1984 | Low |
| 100.009 | | 98.056 |

The dollar secondary market was much quieter yesterday, with prices closing more or less unchanged on the day.

South Africa has returned to the sterling markets after a 14-year break with a £40m Eurosterling bond led by Hambros Bank with N. M. Rothschild and Hill Samuel. It has a five-year life and a 12½ per cent coupon at par. Although the yield is far higher than other Eurosterling bonds with the same maturity, the issue still sold rather slowly at a discount equal to its 1⅞ per cent total fees.

In West Germany, Citicorp is raising DM 150m through an eight-year bond with an 8 per cent coupon at par. Led by Deutsche Bank, the deal was not very popular with investors and traded at a 1¾ per cent discount.

Kansai Electric issued a SwFr 100m public bond through UBS yesterday. It has a 6⅛ per cent coupon for eight years at a price of par.

Prices of seasoned bonds were mixed in Germany and slightly up in Switzerland in a day of reasonably quiet trading.

● Centre National des Caisses d'Epargne (CNCE) plans to issue its first ever French domestic bonds, FFr 1.3bn of eight-year paper, which it expects to launch around June 18.

The bonds for the state-owned savings bank will carry FFr 5,000 face value and a coupon of around 13.9 to 14 per cent. They will be priced at par with a placement period of about three weeks.

CNCE will be its own lead manager, offering FFr 1bn to private investors and the rest to institutions. The decision to raise money through bonds follows reforms which are seen as having blurred the distinction between banks and savings banks in France.

● The Toronto futures exchange was due to begin trading U.S. dollar futures contracts yesterday.

The 100,000 U.S.$ contracts are quoted in Canadian dollars per U.S.$100. Payment for the U.S. dollar contracts will be made in Canadian funds. The delivery dates have been set as March, June, September and December.

● A tender for three-year Japanese government bonds which closed on Tuesday has produced an average issue price of 99.03 to yield 6.786 per cent.

The Finance Ministry said in Tokyo yesterday that bids amounting to Y305.5bn for the 6.4 per cent coupon issue were accepted out of bids totalling Y404bn. The lowest price accepted was 98.88 to yield 6.649 per cent.



## FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for June 6.

| U.S. DOLLAR STRAIGHTS | Issued | Bid | Offer | Change on day | Change on week | Yield |
|---|---|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

| CONVERTIBLE BONDS | Cnv. date | Cnv. price | Bid | Offer | Chg. day | Prem |
|---|---|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Nippon Oil Co 5½ 98 | 4/83 | 984 | 113¼ | 114¼ | −1⅞ | −0.28 |
| Nissan Motor 5¼ 98 | 4/83 | 700 | 100¼ | 101¼ | −0¼ | 8.14 |
| Ono Pharma'cal Co 3¼ 98 | 3/84 | 9480 | 150⅞ | 151⅝ | +0½ | 30.34 |
| Orient Leasing 5¼ 98 | 6/83 | 2680 | 122½ | 123¾ | +1½ | −4.35 |
| Secom 5 98 | 11/83 | 2928 | 170 | 172 | 0 | −2.15 |
| Sumitomo Corp 2⅞ 99 | 5/84 | 593 | 88½ | 89½ | −0⅝ | 3.15 |
| Yamaichi Sec Co 5 98 | 8/83 | 449.5 | 125¾ | 127¼ | +0¼ | −3.58 |
| Yamanouchi Pharm'cal 4 90 | 10/83 | 1808 | 100¼ | 101½ | 0 | 28.95 |
| Nippon Oil Co 2⅞ 92 SF | 3/84 | 1852 | 105½ | 106¾ | −0½ | 0.82 |
| Nippon Shinpan Co 2 92 SF | 3/84 | 881 | 91 | 92¼ | 0 | 33.85 |
| Settsu Paper 2¼ 92 SF | 4/84 | 877 | 118 | 118½ | 0 | −2.82 |
| Asics 5 92 DM | 12/83 | 628 | 102¼ | 103¼ | −0¼ | 21.26 |
| Sun Realty 6¼ 92 DM | 2/83 | 365 | 152⅞ | 153⅞ | −2⅝ | −4.13 |

* No information available-previous day's price.
† Only one market maker supplied a price.

Straight Bonds: The yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week – Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C. date – Date next coupon becomes effective. Spread – Margin above six-month offered rate (‡ three month; § above mean rate) for U.S. dollars. C.cpn. – current coupon. Cy yld – current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg. day – Change on day. Cnv. date – First date for conversion into shares. Cnv. price – Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem – Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.